

The North-China Herald

AND SUPREME COURT AND CONSULAR GAZETTE

WEEKLY EDITION OF THE NORTH-CHINA DAILY NEWS

Registered at the Chinese P. O. for transmission as mail matter under Class B.

(Tse-ling-sing-chi-chow-kan 利國新報)

Vol. CLXXII, No. 3234.

SHANGHAI, SATURDAY, AUGUST 3, 1929.

TAELS 12 PER ANNUM.

CONTENTS

CHINESE POLITICS—	
Soviet Denies All Statements	161
Russia Rousing Outer Mongolia	162
Chinese Spokesman on Kellogg Pact	163
Readjustment of China's Debts	163
Married Daughter's Rights Secured	163
Sino-Swedish Treaty	163
Limit for China's Army	163
New Submarines for China Station	163
Li Chi-sen Now Liberated	163
Nanking's Control of Wireless	163
Censorship of Foreign Press	163
LEADING ARTICLES—	
China's Case and Russia's	164
Meaning of Dreams	164
Labour's Lapse in Egypt	164
Grant French Leader, A	164
Communists in Shanghai	165
Anglo-American Relations	165
Stained Glass Window	165
NOTES AND COMMENTS	
RADIO	166
NEWS FROM THE OUTPORTS—	
Impending Doom of Kansu	167
Christian General and Famine Fund	167
Sianfu Shut Off from the World	167
Floods in North China	167
Payment of Taxes in Kuikiang	167
Engineer Freed by Bandits	167
Haiho Conservancy to be Begun at Last	168
Severe Earthquake in Japan	168
Drought and Flood in the South	168
Col. Roosevelt on His Trip	168
Kuangtung's Budget	168
Canton's Captives on Exhibition	169
Wine, Women and—Jah Jongg Scheme to Revive Peking	169
Nanking's Gesture of Good Faith	169
Fumes, Appropriate and Otherwise	169
Communist Scare in Nanchang	169
Case of "Central China Post"	169
Too Active Opium Detective	170
Japanese Gunboat Saves Chinese	170
Mokanshan Summer Resort	170
To Hangchow by Motorcycle	170
Work Among Lepers in Tung-hsien	170
Drowning Rescue at Tsingtao	171
Anti-Soviet Fever in Canton	171
Wedding—Carter—Row	171
Unpleasant Affair in Wuhu	171
Hankow Teacher Bayoneted	171
SHANGHAI NEWS—	
Local War on Communism	172
Sale of Electricity Department	172
Waterworks Strike Spreads	173
Reform of China Merchants' Needed	173
Sequel to Tobacco Tax	173
Japanese Landing Party	173
Greyhound Racing and Opium	174
Passengers to U. S. to be Examined	174
Opening of Cathy Hotel	174
Obituary—	
Mrs. May Hancock	175
M. Jean Barraud	175
Mr. J. G. Priestwood	175
Sowing Prices for Rice	175
Chapel Water Dispute	175
Hongkew Open Air Swimming Pool	175
Automatic Telephone	176
Fire at Race Club Stables	176
New Clinic for Shanghai, A	176
COMMERCIAL AND FINANCE	177-181
COMPANY MEETING	181
SPORTS AND PASTIMES—	
Shanghai Cricket	182
Fourth Test Match	182
Mr. Morris's Leger Chances	183
Stewards Cup	183
Wingfield Sculls New Record	183
Obituary—Mr. S. E. Gregory	183
Shooting	183
American Beaten in Davis Cup	183
Shanghai Polo	184
Baseball in U. S.	184
Local Baseball	184
CORRESPONDENCE—	
Shanghai "Magna Charta"	184
Bar-Kneel Cutie	184
Incandescent Lamp	185
Meaning of Dreams	185
When Gambling was Legal in Hongkong	185
Unequal Treaties	185
Crimes That No One Checks	185
LAW REPORTS—	
H. M. Supreme Court—	
Registration of a Vessel	186
Deportation of Enoch Binks	186
Will Case, A	186
Charge Against A. C. Townsend	186
U. S. Courts—	
Adoption Petition	186
Tientsin Appeal, A	186
Provisional Court—	
Tates Road "Wheel"	186
Pick Case	186
Court of Appeal—	
Gunther Loses Appeal	187
FOREIGN TELEGRAMS	188-193
FROM THE FOREIGN PRESS	194-195
SPECIAL ARTICLES—	
Story of the Chinese Eastern Railway	195
China's Skies for August	197
Taxes in China Past and Present	199
BOOK PAGE	200
WOMAN'S PAGE	200
SHIPPING NEWS	200
BIRTHS, MARRIAGES AND DEATHS	200



The hunting season in Siberia is about to commence.

SOVIET DENIES ALL STATEMENTS

Not in Touch with Any Chinese Minister: Berlin Not Asked to Mediate: Report of Opening of Conference

The Soviet denies that it has asked Germany to mediate or has communicated with the Chinese Minister in Berlin.

The belief is expressed in Berlin that direct negotiations between China and Russia are impending.

In this connection a curious report by the Kuo Wen News Agency of a visit by the Soviet Ambassador to the Japanese Premier may be noted.

It is also reported that negotiations have begun at Manchuli.

Chinese Envoy Leaves Moscow

Moscow, July 25.

The members of the Chinese Embassy in Moscow, headed by the Chargé d'Affaires, Hsia Wei-sung, left Moscow to-day for Finland, after handing over the custody of Chinese affairs to the German Embassy.—Reuter.

Nanking, July 26.

In a telegram dated the 24th, reporting his departure from Moscow for Helsinki, Mr. Hsia suggests that, as the German Ambassador to Moscow has been offering his good services in connection with the Chinese Eastern Railway issue, future exchange of views with regard to a settlement of the Chinese Eastern Railway case would best be conducted through him. Mr. Hsia adds that public opinion in Russia is in favour of immediate negotiations with the National Government for an early solution of the present Sino-Soviet dispute.—Kuo Min.

Direct Negotiations

Berlin, July 25.

The Soviet Embassy here denies the report from Shanghai that it has been negotiating with the Chinese Legation in Berlin. It adds that since the Russo-Chinese

has sent Mr. Chu Shao-yang, Chinese Minister to Finland, to Harbin. If the Soviet Government agrees to start negotiations with China for the settlement of all outstanding questions, Mr. Chu will be instructed to go to Moscow.—Kuo Min.

Hold on C.E.R. Tightening

Tokyo, July 27.

A message from Harbin states that, despite signs of an early resumption of some form of negotiations between Russia and China, the Chinese are steadily tightening their control of the Chinese Eastern Railway. Mr. Lu Yung-huang has asked for the transfer of 350 Chinese officials and experts from other Chinese railways to Manchuria to replace the ousted Soviet employees.

Well-informed persons are confident that the meeting of M. Melnikoff and General Chang Tso-hsing, the Military Governor of Kirin, at Changchun recently opened the way for such a parley.—Reuter.

Nanking, July 29.

It is learned from semi-official sources that Russia has refused to negotiate with China. The National Government, therefore, is submitting the Sino-Russian issue to the League of Nations for settlement.—Reuter.

Berlin's Whispering Gallery

Berlin, July 29.

Although the Soviet Embassy denies that negotiations with China are pending here, it is stated in political circles that private parleys are being conducted, with a good chance of success, by a well-known journalist who is *persona grata* with both the Chinese and Russians by virtue of long residence in both countries.—Reuter.

Moscow, July 29.

Denying the reported negotiations between the U.S.S.R. and China, the Tass Agency says that the Chinese

Minister in Berlin, General Chang Tso-pin, attempted to meet the Soviet Ambassador, Nicolai Kresinski, but the overtures were rejected.—Reuter.

Soviet Invites Conference

Makden, July 30.

At the request of the Soviet authorities, Tsai Yun-shang, the Commissioner for Foreign Affairs at Harbin, and Li Chao-jen, a director of the Chinese Eastern Railway, left Harbin last night for Manchuli to enter into negotiations with Soviet representatives.

A party of journalists is being conducted to Manchuli by a secretary of Marshal Chang Hsueh-liang. The party leave here for Harbin tonight.—Reuter.

Reported Commencement

Nanking, July 31.

It is now confirmed that the first preliminary Sino-Russian conference was held yesterday afternoon at Manchuli at 3 o'clock.

M. Melnikoff, Consul General at Harbin, represented the Soviet Government while Mr. Tsai Yun-shang, Chinese Commissioner for Foreign Affairs at Harbin, represented the National Government. Professor Sobriakoff, the Soviet plenipotentiary, is stated to be still at Chita.—Reuter.

Another Note by Dr. Wang

Nanking, July 31.

It is stated that under instructions from President Chiang Kai-shek, the Minister of Foreign Affairs, Dr. C. T. Wang, is drafting a second note to the Soviet Government reiterating the National Government's desire to settle the present dispute by peaceful negotiations. It is believed that the note will be sent to Karakhan in his capacity as Chief of the Asiatic Affairs Bureau of the Moscow Government.—Ta Chung.

The Mysterious Second Note

Nanking, Aug. 1.

Mystery shrouds the "second note" to Soviet Russia in connection with impending negotiations for the settlement of the Chinese Eastern Railway issue.

According to well-informed circles, one despatch was telegraphed to Moscow yesterday morning; but, it is stated, the contents cannot be divulged at present. At the same time another instruction was sent to Mr. Chu Shao-yang at Peking informing him of the Government's attitude and instructing him to proceed immediately to Harbin and to get in touch with responsible Soviet Authorities for a preliminary discussion of the procedure for a settlement of the dispute.

According to another report, the "second note" was not a formal communication to the Soviet Government inasmuch as all relations between Russia and China have been severed. Moreover, it was not a reply to the Soviet's ultimatum of July 17. It merely stated that since the Soviet Authorities have evinced a desire to enter into direct negotiations with the National Government, the National Government is prepared to do likewise.

Mr. Chu Shao-yang is leaving Peking for Harbin this morning to enter into negotiations with the proper Soviet authorities.—Ta Chung.

Mediation Project Held Up

Tokyo, Aug. 1.

Reuter learns that the tentative suggestion of the American Secretary of State, Colonel Stimson, for the establishment of a six-Power commission of conciliation to extend the good offices of the Powers to China and the Soviet, is being held in abeyance.

This is understood to be mainly due to Japan's expressed conviction that any form of international intervention is superfluous at the present stage of the crisis.

Japan's contention is that the prospects of direct settlement between the two disputants are good, and that, therefore, it is unnecessary to offer outside assistance.

Japan and Manchuria

There seems little doubt that Japan will be most unwilling to participate in an international commission dealing with Manchuria unless possibly in the event of an unforeseen emergency. Even so she would not welcome the participation of other Powers in the settlement of questions affecting Manchuria where she considers her own interests are paramount. Consequently the Government is extremely anxious to see the Sino-Russian negotiations proceed smoothly.—Reuter.

Kuominchun Support Nanking

Nanking, July 27.

Stating that it has always been their endeavour to bring about the realization of the Three People's Principles and the abolition of the unequal treaties between China and the foreign Powers, the leading commanders of the Kuominchun headed by General Liu Yoh-feng, Chairman of the Kansu Provincial Government, in a telegram dated the 25th instant to Commander-in-Chief Chiang Kai-shek, pledge their services to the Central Government in the present Sino-Soviet crisis, urging at the same time, that steps be immediately taken by the Central Authorities for the mitigation of the sufferings of the people and the soldiers in the Northwest. The telegram says in part:

"As a result of the Chinese Eastern Railway controversy, the Communist flame has again burst forth and there is danger in the border districts. The troops under the jurisdiction of the 2nd Disbandment District, totalling 300,000 men, are hereby placed completely at the disposal of the Government. They are willing to shed their last drop of blood in the service of their country.

"But the people of the provinces of Shensi and Kansu have been scourged by repeated calamities and are now on the verge of starvation. The sufferings of the troops, who are stationed there, are also beyond description. We who are eye-witnesses of these conditions cannot refrain from calling your attention to this state of affairs. We humbly petition that definite measures be adopted for the amelioration of the situation.—Kuo Min.

A despatch from Tsuruga reports the arrival there, from Vladivostok, of the Chinese Consul-General, the staff of the Consulate and their families.

Interviewed by press representatives, the Chinese Consul-General is quoted as saying that the Consular staff suffered no ill-treatment but the Chinese community at Vladivostok is suffering owing to the refusal of the Soviet authorities to provide food-stuff. He added that the Soviet troops in that area are drilling night and day and that motor-cars and other vehicles are being commandeered.—Reuter.

Chinese Ships Seized

Harbin, July 27.

According to a telegram from Habarovsk, several hundred Chinese residents there are being prevented from leaving for home by the Soviet authorities, and the Chinese consular officials and their families in Blagovestchensk are also placed in the same predicament.

The Chinese authorities have lodged a vigorous protest with the Soviet Consulate at Blagovestchensk against the seizure by the Soviet warcraft of 11 Chinese steamers and a number of tugboats on the confluence of the Sungari and Heilungkiang.—Toho.

Two Ships Escape

Nanking, Aug. 1.

A telegram from Shenyang states that the Chinese steamship Shenyang which had been seized by the Soviet authorities at Blagovestchensk, has escaped to the Shaoho River. The steamship Tungshan which had been missing for the past few days has also returned to Fuling.—Kuo Min.

Harbin, July 31.

It is announced at the North-eastern Navigation Bureau that so far seven steamers belonging to the Bureau have been detained by

the Soviet authorities. The whereabouts of three other vessels heretofore engaged on the Amur River are unknown, although it is highly probable that they have likewise been seized by the Soviet authorities.—Kuo Min.

Nanking, July 30.

News of the detention of Chinese Consular officials in Russia by the Soviet Government, who were returning to China as instructed by the National Government, as well as the illegal arrest of Chinese nationals in Siberia, especially those in Chita and the Amur River region, have been received at the Ministry of Foreign Affairs in a number of official despatches from the north.

The Chinese Consul at Chita reports that communication between Chita and Manchuli has been severed. All members of the Consulate, who had originally intended to return to China by way of Vladivostok, were forbidden by the Soviet authorities there to leave the territory.

Another telegram from the Chinese Consulate at Tashkent states that after he had closed the Consulate and as he and his staff were about to start for their homeward journey they were detained by the Russian authorities, who, however, treated them well.—Kuo Min.

Alleged Seizure of Dalbank

Moscow, July 31.

It is announced here that the Chinese authorities in Harbin have seized control of the Far Eastern Bank and ordered the officials to hand over the keys. Orders have been wired to the chairman of the bank by Piatkov, the chairman of the State Bank, to liquidate the bank's activities.—Reuter.

Through Running of Trains

Harbin, July 20.

With the consent of the Soviet authorities, the local Consular Body is thought likely to be successful

RUSSIA ROUSING OUTER MONGOLIA

Comprehensive Scheme of Frontier Defence Formulated by Gen. Chiang: White Russians in Attack

Sensational reports have reached Nanking from Shansi that the Russians are stirring up the Mongols in Outer Mongolia to take action against Nanking.

An extraordinary account of a White Russian raid on Chita is given by Marshal Chang Hsueh-liang.

It is stated that Soviet troops went over to the White Russian side. The latter at the outset only numbered 300.

Speaking in Nanking Mr. Hu Han-min made a fighting speech: the relations with Russia had become tinged with acerbity but if the worst came to the worst, Chinese troops could face Russian.

Inciting the Mongols

Nanking, July 28.

An urgent despatch from Taiyuan states that reports from Kalgan and Urga disclose Soviet Russia's subversive activities in Outer Mongolia; Mongol troops being incited to demonstrate against the National Government.

An anti-Nanking movement is being carried on in Outer Mongolia by Soviet propagandists, while large numbers of Chinese in Urga are reported to have been impressed into military service by the rebellious Mongolian authorities.

It is learned at the Headquarters of the Commander-in-Chief that a comprehensive scheme of national defence along the entire northern border has been formulated. The North-eastern border will be garrisoned by the Manchurian Forces comprising the Provincial Forces of Liaoning, Kirin, Heilungkiang and Jehol totalling approximately 200,000 soldiers under Marshal Chang Hsueh-liang as Commander-in-Chief. In case of necessity, arms and ammunition and other war supplies will be sent there by the Central Government.

The Northern and Northwestern border districts will be entrusted to General Yen Hsi-shan who will have immediate command over the Provincial Forces of Chihli, Shansi and Suiyuan, while the various military units in Shensi, Kansu, Kokonor and Ninghsia will be instructed to assist General Yen. As for Sinkiang, General King Shu-jen, who has been Defence Commander of Sinkiang almost since the first year of the Republic, will be responsible for the effective defence of the border districts.

in its attempt to resume the train service between Asia and Europe. Mr. Tsai Yuan-shing, Chinese Commissioner of Foreign Affairs at Harbin, and Mr. Li Shao-kuan, of the Chinese Eastern Railway, and the British and French Consuls left here this afternoon for the Manchuli Station to discuss the question.—Kuo Wen.

Harbin Business Hard Hit

Peking, July 26.

Messages from foreign sources in Harbin sent off on Thursday afternoon do not mention the outbreak of hostilities at Manchuli reported from Tokyo. On the contrary, these messages state that the high Chinese military leaders have announced that in the event of a Russian advance the Chinese troops have been instructed to withdraw without resistance. Moreover messages from both Mukden and Harbin lay stress upon the present highly conciliatory attitude of the Manchurian authorities.

In the meantime the closing of the frontiers is seriously affecting trade, and is causing heavy losses to the merchants who are unable to fulfil their contracts to ship Manchurian products to Vladivostok. Vast quantities of products have accumulated at Harbin, and at present it is impossible to move them.

Harbin currency is also depreciating seriously, the latest quotation being 60 Yen to 100 Harbin dollars.

Foreigners at Blagovestchensk

Mrs. Talbot has sent word to her husband that she and her daughter are being well treated at Blagovestchensk.

Mrs. Roy Talbot, the wife of the Customs Commissioner at Taiheho, and her small child, were among the passengers on the Chinese steamer Iian which was captured by a Soviet gunboat on the Amur and taken into Blagovestchensk.—Reuter.

of co-operation with White Russian troops.

The situation at Suifenhao and at Harbin is quiet.—Reuter.

Chinese Base Forbidden

Nanking, July 30.

Details of the military activities of "White" Russian troops near the Manchuria-Siberia border have been furnished in a report from Marshal Chang Hsueh-liang to the Ministry of Foreign Affairs.

Marshal Chang states that on the 14th instant, a young Russian colonel of the former Tsarist régime gathered together over 300 Russians living in the districts of Shihwei and Chikion, and taking with them a quantity of arms and ammunition which they had previously concealed there, crossed the border and headed directly for the Russian border town of Chitalich, where the "White" Russians completely surprised the small Red unit stationed there and disarmed them.

The "Whites" then proceeded to Chita and succeeded in turning the Red defence force there against their Bolshevik commander.

It is also learned that one brigade of the Soviet forces stationed north of the Amur River turned over to the "Whites" on the 19th instant, and that another force of 1500 "White" Russians is concentrating in Outer Mongolia awaiting a suitable opportunity to advance against the Reds.

In conclusion, General Chang says that strict orders have been issued to the Border Defence Forces not to permit the "White" Russians to use any part of Chinese territory as the base of operations against the Reds.—Kuo Min.

Alleged White Exploits

Peking, July 28.

A detachment of approximately 1,500 "White" Russians is reported to be now approaching Chita in an attempt to surround the Soviet units stationed there. The Ussuri Railway beyond Pogranichnaya is reported to have been partly occupied by a large "White" Russian Force which fact accounts for the sudden withdrawal yesterday of 200 Soviet Cavalry together with two field guns, four machine-gun batteries and three Soviet aeroplanes hitherto stationed in the hilly regions around Pogranichnaya.

Local official circles do not give credence to reports from Kalgan that a number of Outer Mongolian military units have been incited by the Soviet Authorities to take up arms against the National Government.

It is pointed out that normal communication between Kalgan and Urga has not been interrupted. However, it is admitted that the defence force between Outer Mongolia and Suiyuan has been considerably strengthened against any emergency.—Ta Chung.

Tokyo, July 31.

An unconfirmed report received by the Tokyo office of the South Manchuria Railway states that over 100 men were killed or wounded in a clash between Red and White Russians at Iman, northward of Vladivostok, on Sunday.—Reuter.

Military Conditions on Border

Harbin, July 30.

According to Captain Halsey Powell, the Naval Attaché of the American Legation who has been investigating the situation along the border, neither the Soviet nor the Manchurian authorities have made preparations for any military emergency.

Desultory fighting has occurred at various points between the Soviet troops and small bands of "White" Russians who had crossed the border from Manchuria to Siberia and hidden themselves in the forests in anticipation of the arrival of their Red enemies.—Ta Chung.

White Bands Increasing

Harbin, July 31.

The military exploits of "White" Russians are assuming alarming proportions. A total of over 20,000 well-equipped "White" volunteers, commanded mostly by officers of the former Imperial Army of Russia, is now reported to be concentrating in the Amur region with a view to making that part of Siberia into an autonomous Russian territory. The "Whites" are reported to be loyally supported by the peasants through-

out the entire eastern part of Russia.

The Soviet authorities are further handicapped by the fact that part of the Ussuri Railway has been destroyed by the "White" Russians and cannot effectively carry out a campaign of suppression against the latter.—Ta Chung.

Gun Fire Near Manchuli

Manchuli, July 25.

At about 9 o'clock this morning, a roar of guns started to resound in the direction of the border but it gradually subsided and completely stopped at 10 o'clock. It has transpired that guns were fired by both the Soviet and Chinese troops merely to warn each other.—Toho.

Tokyo, July 26.

A message from Manchuli states that, as an outcome of the firing which took place yesterday morning, a number of Japanese women, including the Consul's wife, have decided to leave for Harbin.

The message adds that about 7,000 Chinese troops are at present garrisoning Manchuli. Facing them are Soviet forces consisting of three regiments of artillery, two of cavalry and three of infantry.

A message from Harbin announces the arrival there of a brigade of Chinese artillery, two brigades of cavalry and 7,000 infantry, all from Kirin and Mukden.

Pogranichnaya reports the situation calm on that front although reinforcements of Chinese troops are continually arriving while Soviet aircraft continue to make reconnaissance flights along the border.—Reuter.

Fighting in Harbin Calmer

Harbin, July 26.

Excitement along the border districts has definitely subsided following receipt of instructions from Nanking that the National Government entertains no desire even for a military gesture towards Soviet-Russia in connection with the Chinese Eastern Railway issue. No reinforcement for the Border Defence Force stationed at Suifenhao (Pogranichnaya) has been despatched, as previously contemplated, and the distance separating the outposts of the Chinese and Soviet troops is considerable that there is no likelihood of any armed clash.

Admiral Shen Huang-lich arrived here yesterday and gave orders for the stationing of a number of gunboats belonging to the North-eastern Squadron along the Amur River for the protection of Chinese merchantmen.—Kuo Min.

Avoiding Conflict

Harbin, July 28.

The Government forces stationed in Manchuli have been withdrawn from the first line of defence, by instructions from the Central Government, which indicates hopefulness of a peaceful settlement of the Chinese Eastern Railway issue. The Soviet army across the border is reported to have received similar orders and has withdrawn accordingly, the two opposing forces being now about 20 miles apart.—Kuo Min.

Peking, July 31.

Chinese reports from Suifenhao, at the eastern end of the Chinese Eastern Railway state that a Russian aeroplane was flying over the city when it was forced down owing to engine trouble. Five Russian and a Chinese who were in the machine were taken prisoners by the Chinese military.

A message from Taihe-ho, on the Amur opposite Blagovestchensk, states that the Russians seized the str. Shenyang on July 28 and took it into Blagovestchensk.—Reuter.

Hu Han-min's Fighting Speech

Nanking, July 30.

"Discussions of the present Sino-Soviet situation have assumed a tone of acerbity," said Mr. Hu Han-min, president of the Legislative Yuan, in the course of a speech delivered at the weekly memorial service at the Central Party Headquarters yesterday. "There are some of us who think that the Soviet's military equipment is far superior to ours and, therefore, we could not afford to go to war with Russia. This is a great mistake, for outwardly the Soviet Army may appear strong, but, as a matter of fact, our fighting strength is not at all inferior to the Soviet's. If unfortunate hostilities break out, it is problematical which side will emerge victorious,

but I am certain that we can match force with them."

Continuing, Mr. Ha explained that it was the spirit which counted more than actual possession of superior equipment, and that so long as China maintained its revolutionary spirit there could be no doubt as regarded the final outcome of China's struggle with Soviet Russia. According to Mr. Hu, the Soviet depended largely upon propaganda and, if China could serve its energy and prepared for a final struggle with Soviet Russia, Chinese prestige would be restored.—Ta Chung.

CHINESE SPOKESMAN ON KELLOGG PACT

Notification of Effectiveness Received from U.S.

Nanking, July 29.

At the weekly memorial meeting this morning, a spokesman of the National Government declared that China had received notification from America stating that the Kellogg Anti-War Pact had already come effective.

"The hope and movement for world peace" the spokesman continued, "is not a modern product. After every important war in history, there was a common hatred for war. Agreements were made by which mutual friendship among countries was expressed and pledges were made to settle all disputes by peaceful means. It is unfortunate, however, that these agreements were made use of by stronger powers for expansion of their interests. It is hoped that the success of the Kellogg Pact will open a new era in the history of the movement for world peace.—Reuter.

Soviet Notified Too

Moscow, July 30.

The French Ambassador handed the Foreign Commissar a note on behalf of the United States advising the Soviet Government of the inauguration of the Kellogg Pact on July 24.—Reuter.

German Support for U.S.

N.C.N. SPECIAL SERVICE

Washington, July 26.

In a communication sent through the German Embassy to-day, Germany expressed herself in accord with Col. Henry L. Stimson's move in reminding China and Russia of their obligations under the Kellogg Anti-War Treaty.

The only present cause for anxiety among the Powers, it was learned to-day, is the question as to whether the Russian and Chinese envoys will be able to reach a settlement acceptable to both parties.

It is understood that doubts as to the possibility of an early agreement were expressed at a secret session held to-day by Colonel Stimson with the Ambassadors of all the leading Powers.—United Press.

Washington Disturbed

N.C.N. SPECIAL SERVICE

Washington, July 29.

War clouds continue to hover over Manchuria, says the "Evening Post" in an editorial to-day.

The Kellogg Treaty will not affect this situation one way or another, in the opinion of the "Post." The paper attacks Col. Henry L. Stimson's insistence upon the restoration of the status quo on the Chinese Eastern Railway and urges that China and Russia shall be permitted to settle the matter in their own way.

The "Post" suggests that China should purchase the Chinese Eastern Railway under the option clause.

"The mere hint that Colonel Stimson has proposed to act as an umpire," continues the editorial, "has unsettled Japan, caused uneasiness in China and aroused resentment in Moscow."—United Press.

Little Bickering in New York

N.C.N. SPECIAL SERVICE

New York, July 29.

Residents of Chinatown to-day became tired of repeated communist demonstrations against China's exclusion of Russians from Manchuria and decided to give battle against the demonstrators.

Pell Street's never-over-savoury atmosphere was filled with shouts, ancient eggs, sliced watermelon and an occasional fish.

Later the communists gathered with banners in Chinese Square where, after further excitement, the police made a number of arrests.—United Press.

Mails for U.S.S.R.

Mails for the U.S.S.R. will be sent via the Pacific and Suez routes. Articles for the U.S.S.R. marked via Japan and Vladivostok will be sent by that route at sender's risk, but all mails for places outside the U.S.S.R. will be sent by the sea route even if marked via Vladivostok.

Articles found in the mail marked for the air route via the U.S.S.R. will, if sufficiently franked, be sent via the U.S.A. air routes. Under no circumstances will they be sent via Vladivostok.

READJUSTMENT OF CHINA'S DEBTS

Collection of Data First Decided Upon

Nanking, July 27.

The Committee for the Readjustment of Foreign and Domestic Loans held its first meeting yesterday under the chairmanship of Mr. T. V. Soong, Minister of Finance. Among those present at the meeting were Dr. C. T. Wang, Minister of Foreign Affairs, Mr. Wang Peh-chun, Minister of Communications, Dr. H. H. Kung, Minister of Industry Commerce and Labour, and Mr. Yi Pei-chi, Minister of Interior. As a preliminary step to the formulation of measures for the readjustment of the loans, it was decided that authoritative and complete data be first gathered, which are to cover the following points:—

A. With regard to domestic loans: (1) the total amount, (2) the different classes of internal bonds, (3) date of issue, (4) rate of interest per annum, (5) the localities where the bonds are in circulation.

B. With regard to foreign loans: (1) Purposes for which the loans were contracted, (2) the total amount, (3) date of the loan agreements, (4) date of maturity, and (5) rate of interest.

Mr. Yeh Shu-heng, Director of the Public Loans Department of the Ministry of Finance, has been entrusted by the Committee with the task of collecting the data.

In order to facilitate the work of the committee, Mr. T. V. Soong is considering the appointment of a number of financial experts to assist in devising a comprehensive scheme for the readjustment of all Government loans.—Kuo Min.

MARRIED DAUGHTERS' RIGHTS SECURED

Important Law Passed by Central Political Council

Nanking, Aug. 1.

A new law granting the right of inheritance to married daughters was passed yesterday at the 189th meeting of the Central Political Council and will be forwarded immediately to the State Council for promulgation. The new law gives equal legal status to married daughters as their brothers.—Ta Chung.

THE SINO-SWEDISH TREATY

Chinese Note Announcing Expiry of Commercial Pact

Nanking, July 30.

Dr. C. T. Wang sent a note on June 19th to the Swedish Chargé d'Affaires stating that the Sino-Swedish Commercial Treaty had expired and hoping that a new treaty would be concluded on the basis of full equality.

A note, dated July 22 from the Swedish Chargé d'Affaires states that Dr. Wang's note was duly forwarded to the Swedish Government and that he had received a reply from the Government, and was asked to discuss with China the conclusion of a new commercial treaty.

The new Swedish Minister, Dr. Hultmann, is due to arrive in Nanking in September to present his credentials and to negotiate with the National authorities.—Reuter.

LIMIT FOR CHINA'S ARMY

800,000 the Proposed Figure: Suppression of Bandits

Nanking, July 27.

The authorized strength of the National Army will be 800,000 men if a proposal shortly to be submitted by the Preparatory Committee to the Conference of Disbandment Directors is found practicable and can be adopted.

Other proposals relating to the standard to be adopted in the reduction of troops and the system of reorganization of the National Army have also been formulated by the Preparatory Committee for submission to the Conference.

Suppression of Bandits

A comprehensive scheme for bandit suppression throughout the entire country has been formulated by the Commander-in-Chief's Headquarters for submission to the impending Conference of Disbandment Directors for adoption. The scheme provides for the division of the entire country into six bandit-suppression areas, each to be in charge of a Director-General of bandit-suppression.

The division of the six areas is as follows:—

1. North-eastern Area: Liaoning, Kirin, Heilungkiang and Jehol.
2. North-western Area: Shansi, Shensi, Kansu, Charhar, Suiyuan and Ninghsia.
3. Northern Area: Hopei, Honan, Hupeh, Shantung and Anhwei.
4. South-western Area: Yunnan, Kweichow, Hunan and Kiangsi.
5. South-eastern Area: Kiangsu, Chekiang and Fukien.
6. Special Area: Kwangtung and Kwangsi.

The province of Sinkiang will probably form a separate area by itself.

New Disbandment Conference

July 29.

Final arrangements for the convocation of the National Disbandment Conference on August 1 were completed yesterday. The inaugural ceremony will be held at 8 o'clock on the morning of August 1 at the auditorium of the Central Party Headquarters, with the first general session of the Conference for the same afternoon. President Chiang Kai-shek will assume the chairmanship of the Proposals Examination Committee.

General Chen Tiao-yuan, Chairman of the Shantung Provincial Government and concurrently Commander of the Reserve Units, and General Fong Chen-wu, Chairman of the Anhui Provincial Government and concurrently Commander of the 6th Route Army, arrived together yesterday respectively from Tsinan and Pengpu to attend the Conference.

Telegrams received by the Disbandment Committee report that General Tang Seng-chi, Commander of the 5th Route Army, General Liu Chen-hua, Commander of the 11th Route Army, and General Chu Shao-kwang, Chief-of-Staff to General Yen Hsi-shan, are leaving Peking together this morning, while a message from Canton states that General Chen Chi-tang, Commander of the 8th Route Army, left to-day for Nanking. General Ho Chien, Commander of the 4th Route Army, and concurrently Chairman of the Hunan Provincial Government, is now in Hankow and will proceed here to-morrow with General Li Chih, Commander of the 2nd Route Army.—Kuo Min.

The Suggested Reduction

Nanking, July 29.

All the important military leaders are arriving here for the opening of the conference for the carrying out of the disbandment programme, which is scheduled to take place on Thursday morning at 8 o'clock at the auditorium of the Central Kuomintang Headquarters. The conference will last five days.

Preparatory conferences are being held here daily in regard to the proposed agenda of the conference and the proposals which will be submitted to the conference for final approval. General Ho Ying-ching, General Ho Yao-tsu, General Chu Pei-teh, General Chen Tiao-yuan, General Fan Chen-wu are on the preparatory committee.

It is reported the total number of troops may be further reduced.

The number of soldiers in the Chinese army may not exceed 800,000, is a proposal which has received approval from a number of delegates. The problems in relation to the distribution of military expenses, organization of the army and other issues will be brought up for discussion.

General Chow Tai and General Chu Shou-kuan, representatives of the Third Group Army Corps, are reported to be already on their way to the capital.

To Prevent Unnecessary Sacrifice

At a reception given to-day in honour of press representatives, General Shih Yu-san, who rebelled recently against Marshal Feng Yushiang, declared that his friendship with Marshal Feng was one of more than twenty years' standing.

"In order to avoid unnecessary sacrifice of lives" General Shih continued, "and to save the country from plunging into another civil war, I and General Han Fu-chu decided to declare our loyalty to the Central Government. Unless military leaders stop interfering with political problems of the country, one can hold little hope for China. The conference for the carrying out of the disbandment programme will open here soon. I shall obey whatever decisions the conference may arrive at, and I sincerely hope that the other military leaders throughout the country will do the same.

"I have at present more than 30,000 troops. General Chiang Kai-shek has issued instruction that my troops be transferred to Tehchow immediately. I am leaving here to-morrow to supervise the transportation of my troops to Shantung."

General Shih appeared at the reception in riding pants and a smart blue flannel coat. It may be recalled that General Shih, together with General Han Fu-chu, staged a coup which surprised the entire nation and the world, by rebelling against Marshal Feng Yushiang whose troops are known the world over for their discipline and loyalty to Feng.

Lu Chun-lin in Nanking

July 30.

General Lu Chun-lin, former Minister of War and Chief-of-Staff to Marshal Feng Yushiang; Mr. Tseuh Tu-pi, Minister of Public Health; and Mr. Y. L. Tong, Vice Minister for Foreign Affairs, arrived here this morning from Shanghai. These three close associates of Marshal Feng left the capital about two months ago when the political situation was regarded as critical.

In an interview given to press representatives, the three Kuomintang leaders declared that they had returned to the capital upon the repeated invitation of General Chiang Kai-shek, Chairman of the National Government. General Lu Chun-lin, who is in charge of the disbandment of the Second Group Army Corps, has come here especially to attend the conference for the carrying out of the disbandment programme which will open on Thursday morning.

Owing to the seriousness of the present Sino-Russian situation, Mr. Y. L. Tong has been urged by Dr. C. T. Wang, Minister for Foreign Affairs, to return to Nanking to co-operate with Dr. Wang in this important issue. Immediately upon his arrival, Mr. Tong called on Dr. Wang at the latter's private residence.

The three Kuomintang leaders are staying for the time being at the former private residence of Marshal Li Chi-sen, formerly Chief-of-Staff to the National Government. General Chen Yi, acting Minister of War, and General Ho Yao-tsu, are giving a tiffin to-day in honour of the three leaders.—Reuter.

NEW SUBMARINES FOR CHINA STATION

London, July 30.

The depot ship Medway, accompanied by the new submarines Osiris, Oswald, Otus and Odin will leave England in October for the China Station via South America.—Reuter.

LI CHI-SEN NOW LIBERATED

Nanking, July 31.

At the Central Political Council meeting this morning it was decided to restore his freedom to Marshal Li Chi-sen.—Reuter.

NANKING'S CONTROL OF WIRELESS

Importation to be Only by Huchao from Ministry

Nanking, July 27.

At a conference of the Reconstruction Committee and the Ministry of Communications to-day, it was decided that the Ministry should take over the Reconstruction Committee's radio stations.

The process of taking over is to begin on August 1, and to be completed within one month from that date.

Aug. 1.

The National Government officially promulgated yesterday afternoon the following laws regulating the importation of wireless materials into China.

The laws shall regulate the importation of all wireless materials, including wireless telegraph and wireless telephones.

Before wireless materials can be shipped into any Chinese harbour, the importing firm shall submit the invoice and a statement, giving a detailed description of the materials and their value, to the highest local authority which shall in turn forward these documents to the Ministry of War for examination. Unless the firm obtains a *huchao* from the Ministry, the wireless materials cannot enter Chinese territory. In case the importing firm is doing business in a foreign concession, the firm must send in its application for a *huchao* to the nearest local authority which shall forward such application to the Ministry.

Complete Information Wanted

If a firm is importing any wireless materials for a second time, the firm must submit also a statement showing the name of the party to whom the materials have been sold and the present address of that party. No *huchao* will be issued to that firm if the statement is found to be incorrect.

In any period of military activities when it is found necessary by the Ministry of War and the Chief of Staff Department to prohibit any importation of wireless materials, such *huchao* may not be issued.

Any firm which imports wireless materials without any *huchao* shall be duly punished by the Ministry of War.

Ten dollars for *huchao* fees and \$2 (two dollars) revenue stamp must be submitted by the firm which sends in an application for the importation of wireless materials.

The Ministry of Communications and the Reconstruction Committee may import wireless materials, using only their own *huchao*, but must notify the Ministry of War.—Reuter.

THE CENSORSHIP OF FOREIGN PRESS

Peking "Leader" to Submit Galley Proofs

Peking, July 30.

The military authorities here have been instructed by the Ministry of the Interior to exercise a censorship over the Peking "Leader," which is American-owned, on the same lines as the censorship for Chinese newspapers.

It is stated that this action is in lieu of denying the paper postal facilities. In accordance with the order, the Peking "Leader" is submitting "galley" proofs to the Chinese censor.—Reuter.

Postal Ban on French Paper

Peking, July 31.

The French-owned "Journal de Pekin" was refused mail facilities this morning in accordance with orders received from Nanking.—Reuter.

"Leader" Ownership Transferred

Peking, Aug. 1.

The ownership and control of the "Peking Leader," which up to the present has been American owned, were transferred this morning to Chinese interests.

Mr. Grover Clark's editorial control ceases with the change of ownership, apart from which it is understood that the paper will be carried on substantially the same as before.

Mr. E. W. Hunter, an American, has been appointed editor.—Reuter.

LEADING ARTICLES

The North-China Herald

Published every Saturday evening.
PREPAID SUBSCRIPTION
(INCLUDING DELIVERY):
Shanghai Tls. 12 per annum
Other parts of China ... 18

All communications should be addressed to the Secretary, NORTH-CHINA DAILY NEWS & HERALD, Ltd., to whom all remittances should be made payable.

CHINA'S CASE AND RUSSIA'S

July 29.

Following up the documents found in the Soviet Consulate at Harbin on May 27, the Kuomintang Publicity Department has issued a review of the facts revealed and of China's case generally against Russia. It begins with the Communist coup at Canton in December 1927, after which China adopted a tolerant attitude, hoping that Russia would see the error of her ways. This hope proved futile. Soviet consulates and other organizations continued to be used for the promotion of plots and it is emphasized that "the culprits arrested (on May 27 in Harbin) were identified to be either important staff members of the Chinese Eastern Railway, or managers and members of the Soviet Railway Committee, the Soviet Trade Commission, the Soviet Merchant Fleet, and the Soviet Naptha Syndicate, the Far Eastern State Trading Organization." Matters had reached a point when the occupation of the Chinese Eastern Railway was forced upon the Chinese Government as an inevitable measure of self-defence:

"The Soviet Government," the statement says, "has used the Chinese Eastern Railway as an instrument to further Communist propaganda in Chinese territory: it made use of the Railway's revenue and the Railway Trade Unions to assist counter-revolutionary elements in various parts of China, with a view to the destruction of China's national unification and overthrow of the Central Government. All these are matters of fact and political action. The statement protests China's peaceful intentions, adding, however, that "the Chinese Government will adopt proper measures for the purpose of self-defence in case the Soviet Government should start hostilities against China, and the responsibility therefor shall rest with the Soviet Government." There is a difference here from the Harbin message to-day, which says that China will not fight even if Russia attacks.

Now we have no wish to appear alarmist and certainly could never be accused of being "pro-Bolshevik." But in the grave crisis which has arisen, it would be the height of folly not to consider Russia's point of view and to prepare for all possible contingencies. China appears perfectly convinced that Russia will presently offer to negotiate as on the existing situation on the railway. But what if Russia does not fall in with this comfortable belief? Apart from the interested assertions of Chinese news agencies—which Russia has contradicted when they became too pointed—there is no visible evidence of any tendency on her part to negotiate, rather the reverse. We have always recognized the strength of China's case against Russia, but in seizing the C.E.R., however excusable that may have been, she committed a technical illegality which has given the Soviet a stick with which to hit back. It is clear that Russia did not regard China's reply to her ultimatum—in which she had bluntly stated the only terms on which she would negotiate—as worth discussing, for her next step was to break off relations and close the frontier. These two declarations, of the 13th and 17th instant, are all that has been heard from her, except her rejection of the French offer of mediation and a prompt denial of the Kuo Min report that her Ambassador in Berlin had been getting into touch with the Chinese Minister in that city.

The outstanding fact of the situation is this uncompromising silence of Russia's and it must be faced, by China and by everybody who has an interest in finding a peaceful solution for this unhappy deadlock. If Nanking has some private information which cannot at present be published of Russia's intentions, we shall be only too delighted. But this possibility hardly fits in with the actual facts. Moreover Russia has already lost face by the seizure of the railway, and will lose much more if she now tamely accepts the situation after her ultimatum. She also has it in her power to do great injury to China by the mere continued closure of the frontier, since a large trade is done between north Manchuria and Vladivostok all of which is at a standstill now. As we have said we have no wish to be alarmist but a serious deadlock exists with no visible sign of solution and it seems as if some other way out than any yet sought will have to be tried before long.

THE MEANING OF DREAMS

July 29.

"We are such stuff as dreams are made on and our little life is rounded with a sleep." The thought enshrined in these words was hackneyed even in Shakespeare's day and when he put them in Prospero's mouth he was expressing, in inimitable language, the universal thought of mankind. Anciently dreams were regarded much more seriously than came to be the case when education was widely diffused. The world became so sophisticated and the dream was considered to be but a jumble of half remembered waking impressions, recollected in somnolence, sometimes full of sound and fury but always signifying nothing. Later came Freud and his school of psycho analysts and the dream was again given a significance more real, because on a more scientific basis, than it had in the days when myths were realities.

The oldest book in the world tells that the ancient Kings, Pharaoh of Egypt and Nebuchadnezzar of Babylon, had a retinue of magi, astrologers and soothsayers whose business it was to interpret the dreams that came to the monarch in night visions upon his bed. We moderns laugh these things to scorn and hold the lore of the magicians to be nonsense. But, in the light of the importance now given by scientists to the mind's unconscious working, there may have been a substratum of truth in the predictions of the ancient cabalists. The Chinese have a proverb which asserts that "if you believe it, it is so. If you do not believe it, it is not so." Like most dark sayings this, too, has a kernel of wisdom in it. Is it not written that "according to your faith so shall it be unto you?" There is in the human mind a vast unexplored region from whence come the predilec-

tions that sway our reason and predispose us to take one course of action rather than another. This is something other than intellect and performs its function by a different process. An example may be found in Coleridge's famous fragment, Kubla Khan, a poem which he dreamed in his sleep and, awakened, wrote it down as he remembered it but, being interrupted, it went from him and he could never recollect the concluding portion of his dream. This has a parallel in Nebuchadnezzar's dream and the poem remains like a broken pillar: beautiful, but unfinished, of which, on awaking, he remembered the terrible impression and charged his wise men, on pain of instant death, to tell him first the dream, which he had forgotten, and their interpretation thereof.

A modern instance is recorded in "John o' London's Weekly." A lady, whose name is given, while still wide awake, dreamed that she was transported to India and stood behind her son's chair and, placing her hands on his shoulders, tried to attract his attention. She failed and, leaning over, saw that he was fast asleep. In a twinkling she was back in England and at once wrote down her experience. She wrote to her son telling him of her waking dream but her letter was crossed by one from him in which he told her how he had dreamed that she came and stood behind him. The dream was so extraordinarily vivid, he said, that even as he wrote he could still feel her hands on his shoulders. This incident seems so well attested that one is forced to one of two conclusions. Either the lady and her son have agreed, for no conceivable purpose, to concoct a lying tale, or the thing did actually happen as related. The first supposition seems even more incredible than the second for, if we were to ransack the literature of dreams, we would find many other incidents, some of them no less remarkable than this. There is, for instance, the whole record of prophetic prediction in the Hebrew scriptures. Take any one single prophecy and it would seem easy to contend that it was written after the event. But the cumulative effect of all the books of all the prophets in such that even the hardest sceptic cannot fail to be impressed by it." Yet forty days," said Jonah, "and Nineveh shall be destroyed." True, the city was not destroyed at the end of forty days, but it eventually was utterly destroyed even as the prophet had predicted. So was Babylon, Tyre and Jerusalem itself. All these predictions came to the prophets in the form of dreams and their prophecies referred not to insignificant places but to the capitals of Empires as famous and apparently as firmly rooted in their day as London or New York are in ours.

The conviction would seem to be inescapable that there is something in the nature of a world consciousness to which certain natures are attuned. The Hebrew prophets, like the Chinese sages, had a profound belief in a supreme Providence that overruled the world of men in righteousness. Musing on this, and on the utter wickedness and ferocity of the governments known to them, it was not difficult for them to imagine that they heard the voice of the Most High saying "Shall I not visit for these things and shall not my soul be avenged on such a nation as this?" And the astonishing thing is—that is, astonishing if you do not accept their premises—that their dreams seemed to be founded on facts and their predictions came true.

LABOUR'S LAPSE IN EGYPT

July 30.

It is hardly too much to say that the confidence and approval with which the new British Labour Government has hitherto been regarded are shaken to the depths by the discovery of their conduct in respect of Egypt and of Lord Lloyd's forced resignation. The British peoples of all shades of feeling are peculiarly and justly sensitive on the subject of Egypt, which is indeed the main artery of the Empire; and except for a brief period of ill-advised experiment in that country during the administration of the late Sir Henry Campbell-Bannerman, all parties have agreed on the main lines that British policy in Egypt must follow. But the apparently proposed departure from those lines is possibly less startling and offensive than the principle involved. With characteristic insight and in characteristic language Lord Birkenhead put his finger on the vital point when he said that "a minority Government had no right to make bold, novel experiments in the fabric of Empire" without the knowledge of Parliament and he would use all his powers to eject them from office "if they attempted so monstrous an usurpation of Parliament's rights and privileges." It may be recalled in this connection that Mr. Ramsay MacDonald appears to have made all his arrangements to visit President Hoover, and that the naval construction programme has been suspended, without reference to Parliament, which surely has a right to speak on both subjects. It looks very much as if the Government had made up its mind to get round the awkwardness of being in a minority by simply not consulting the House on matters in which it wants to be sure of its own way. With Parliament about to rise for the vacation, the thought of what may happen before it reassembles is full of concern.

To understand the situation in Egypt properly it must briefly be recalled that the Declaration of 1922 put an end to the Protectorate which Great Britain had proclaimed at the outbreak of the war. Egypt was declared a sovereign state under an hereditary monarchy and with a representative government. In May, 1926, a Chamber of Deputies was elected and Egypt was fairly launched on the path of self-government. International policy, however, was kept subject to the approval of Great Britain, and certain points were reserved for subsequent discussion, these being the question of the British army's presence in Cairo and Alexandria, the position of foreigners and their rights under the capitulations, and the status of the Sudan relatively to Egypt. The Egyptian contention has continually been that the Sudan is a province of Egypt. There is no justification for this plea, it is most contrary to Sudanese wishes and has never been allowed by Great Britain. As regards the other two reserved points, it appears to be agreed by those who know Egypt best that both the capitulations and the army in Cairo and Alexandria are necessary for the safety of foreigners. By the new draft treaty, as published by "El Mokattam," the Egyptian paper, the capitulations are to be abolished, the British army is to be restricted to the Canal zone, and Egyptian troops are to be allowed in the Sudan. Reuter's Agency has been informed that "El Mokattam's" version of the treaty "is incomplete and not fully accurate." But it is not denied that such a draft treaty exists. Now it appears fairly clear

that Lord Lloyd was kept in ignorance of the negotiations leading to the new arrangement. Mahmud Pasha, the Egyptian Premier, has been in London for some time past and has admittedly been in consultation with Mr. Henderson, the Foreign Secretary. From all that has passed we are justified in thinking that Lord Lloyd was kept in the dark until he was presented with a *fait accompli* and given his choice of carrying out the new policy, which the Government probably knew he could not conscientiously do, or resigning. Lord Lloyd is known as the best Governor that Bombay ever had, he has deep experience in administering Oriental peoples, and the fact that Egypt has had "no history" for the past two years is a tribute to the excellence of his work. To treat a man of his standing in such a manner, going behind his back and preparing for new methods in his sphere of administration without his knowledge, is a sheer insult, and, as Mr. Winston Churchill has said, is a very bad example to British administrators if they refuse to lend themselves to disastrous experiments—which all their experience and conscience must reject. Following Mr. Winston Churchill, the Prime Minister appealed to the House "to do no further damage to Egypt." But the responsibility for any damage done rests with the Government and nobody else. If has, unauthorized, gone over the head of Parliament and of Lord Lloyd, to draft new treaties of an obviously experimental nature, and it cannot be surprised if Parliament objects, foreseeing itself confronted with the choice of either ratifying a treaty it disapproves or raising a storm in Egypt by rejecting it. The one possible consolation in this regrettable episode is that it may have taught the Labour Government a lesson. It is the paradox of Labour's methods that while no one more loudly denounces secret diplomacy than they do, no one is more secretive in actual practice. When the Campbell case finally brought about an appeal to the country in 1924, feeling was already strongly excited against the Government by the belief that they had pledged themselves to Russia much more deeply than the country would have authorized them to go. It may be that the Egyptian *escandale* will have given them a fright by convincing them Parliament will not allow British rights to be signed away and British interests to be jeopardized without its knowledge. If so, Egypt and even the deeply regrettable dismissal of Lord Lloyd may prove a blessing in disguise.

A GREAT FRENCH LEADER

July 31.

There can be no Frenchman who does not pay his tribute of admiration to M. Raymond Poincaré on his retirement, it is sincerely to be hoped only a temporary one, from political life. A fortnight ago M. Herriot, one of the ex-Premier's keenest adversaries, rose to question him in the Chamber: throughout the dialectical duel, we are told, M. Herriot insisted on standing, though requested by M. Poincaré to sit. "You are a man who should be heard standing," he said; and the Chamber thundered its applause. As much, we may be sure, for the sentiment as for the gracefulness of its expression. Political feeling runs high in France, nowhere more so. But the generosity and imagination of Frenchmen, whatever their politics, could not but be fired by the splendid figure that now quits the stage, his high courage

and iron determination to carry through the policy fixed by his clear and statesmanlike mind, and, it may well be added, by the solid record of his achievement for France. M. Poincaré is a hard man, even, it has been said, ruthless. Unsparing to himself he demands the utmost of others and his subordinates quail before him. But men cannot do great things without some tramping on less resolute companions. It was M. Poincaré who initiated and carried through the occupation of the Ruhr in 1922. He had a large section of Europe against him and even some of his countrymen. His defeat at the elections of 1924, the one conspicuous reverse of his life, was largely due to fear that his Ruhr policy might lead to war. Yet as one reviews the events of those hectic years in the illuminating perspective of a later day, it must appear that M. Poincaré was right all through, and won the reward that commonly comes to those who stand boldly by their convictions.

The diversity of M. Poincaré's career is characteristic of the life of French politicians. He began life as an advocate and made a name for himself while still quite young—for he became a Deputy at the age of only twenty-eight and at thirty-three was sitting in a Cabinet—as the lawyer specially retained by the Société des Auteurs Dramatiques. In the Chamber of Deputies there was no time for the bar but time for journalism, and the five years M. Poincaré spent in this trade seem to have given him a lasting taste for it, for, from being President of France, he went back among the slaves of the lamp in 1919, directed the political section of the *Revue des Deux Mondes* and wrote leaders for the *Matin*. The Ruhr has already been mentioned, but one imagines that the greatest achievement connected with M. Poincaré's name is his rehabilitation of French credit and of the franc from the year 1926 onwards. The story has been told before but bears repetition. In 1924 M. Herriot came into power with M. Caillaux as his Minister of Finance: the latter has a great reputation as a financier but the Socialist supporters of the Ministry appear to have been too harrassed or too timid for the resolute measures that were needed. Confusion in the national finances became worse confounded. The franc dropped to 240 to the pound, the note issue exceeded the legal limit by many millions and enormous debts were run up with the Bank of France. In 1926 M. Poincaré was called to power as head of the National Union to save the situation. Within two years he brought back the franc to 124, cut down the paper in circulation and squared up with the Bank of France. It meant heavy taxation and several other inconvenient remedies, but the solid sense of the country supported him and he was returned to power at the elections held in the spring of last year with an enormous majority to consolidate the work he had begun.

M. Briand, who succeeds M. Poincaré as Premier, is an old friend and colleague; the Cabinet otherwise remains unchanged and it may be believed that M. Poincaré's work will be carried on with little check. Outside individual acts, M. Poincaré's great contribution to French political life is that he has tranquillized and stabilized the atmosphere where, as in other war-affected lands, there was only fever and dislocation. He has steered his countrymen through and out of very dangerous times and they may feel that their feet are now on firm ground. One gets an insight into the essential sanity of M.

Poincaré in the great five-hour speech which he made on the British and American war debts, only a fortnight ago—a marvellous achievement in any case and doubly so when one reflects how ill he must already have been feeling. He argued vehemently for ratification of both agreements without further chaffering and, in conclusion, he said: "Add, if you will, prudent and frank reservations. Then empower the Government to go confidently to defend, at the forthcoming International Conference, the cause of France and peace, which are inseparable." So the agreements were ratified at last and M. Poincaré feels that he may pause to think of his own business and to undergo an operation, trying and lengthy but, happily, it need not be feared dangerous. Seventy is no great age for a Minister of State and the Chamber may hope to have for many years yet the wise counsel and strong sense of its great leader.

THE COMMUNISTS IN SHANGHAI

Aug. 1.

The perfection of the Communist organization in Shanghai as revealed by the recent raids in the French Concession has surprised even those whose business it is to ferret out the doings of the underworld. For several months past there has been almost daily evidence of strong forces at work. "Slogans," for the most part of a violently anti-Kuomintang nature, appear written up on walls and telephone poles. They are wiped out by the authorities, only to reappear again with unceasing speed. Who are all these secret workers in the cause of anarchy? It is an uncomfortable thought that they must be all about us, unsuspected, perhaps apparently engaged in the most innocent calling, but all the time obedient to every order from one of the six leaders who, as the French police have learnt, control the Communist forces throughout the Shanghai area. In the French Concessions the preparations for to-day seem to have been thrown badly out of gear by the detectives' raids. But there remain five branches which, acting under Moscow's *mot d'ordre* to the world, will no doubt do their utmost to make trouble. They will certainly find the guardians of order well prepared to meet them.

Nothing is more difficult than to understand the position of the dictators of Moscow. With other political creeds it is possible to say, "Yes, I understand your point of view although I do not agree with it." But Bolshevism is outside the normal man's comprehension. The claim that it is a movement in the interests of the working class is pure falsehood and hypocrisy. The Communist Party in Russia numbers considerably less than a million and is simply a new kind of bureaucracy which has fastened itself upon Russia in place of the old; nor is there any country in which labourers are subjected to such grinding servitude as Russia. We used to be told that the Russian Communist Party must keep the public quiet with promises of a world revolution about to come, as the only means of staving off a revolution at home. But the Soviet organization appears far too strong inside Russia for any serious fear of that kind. On the other hand, if its partisans abroad are not actually losing ground—and the Communist vote at the recent general elections in Great Britain told an eloquent tale on that point—the defences of Governments are becoming steadily stronger.

Why, then, has Moscow given orders for world-wide Communist demonstrations to-day? What does it expect to gain? Some damage to property will be done, some lives may be lost, society as a whole will not be disturbed, nor the day of world revolution advanced. On the contrary, the threatened demonstrations seem likely to have no other result than to postpone that general recognition by sister States for which Soviet Russia undoubtedly longs.

In China there appears little to distinguish Communism from brigandage, in fact one might say that its main achievement so far has been to bring brigandage into the towns. Undoubtedly the Communist Party includes some people who believe that the present Government must be overthrown in the interests of the country. This paper can hardly be expected to feel particularly enthusiastic for the Nanking administration; but, looking at the whole position impartially, we do not see what better alternative its opponents have to offer; nor does it seem likely that national reconstruction would be hastened and the great difficulties of reintroducing order after so many years civil war be lessened by yet more revolution. Nor can there be any tolerance for a party which works through such agents as those the Communists use. Of those who go out to-day to demonstrate, a large proportion will be merely young fools, others the regular riff-raff alive for any mischief that may offer a chance of plunder: well at the back of the crowd are the instigators. The events of the past three years have tended enormously to swell the ranks of the professional agitator and to encourage him in the belief that he has a prescriptive right to prey upon society. Now he organizes a boycott, now he is a strike leader, now a Communist: any calling is attractive which offers him a chance of filling his pockets without doing an honest day's work; and at present in the discontented state of the country Communism, though undoubtedly dangerous, seems to promise remuneration most quickly.

Of the Government's alertness to the danger, there can be no question. The most elaborate precautions have been taken to cope with trouble-makers to-day and in the Chinese districts the soldiers will have a free hand. But in one respect the authorities seem to be playing straight into the Communists' hands. There are organizations which, claiming affiliation with the Kuomintang and the official world, seem none the less deliberately calculated to make trouble among the lower orders. To improve the labourer's condition of life, to assist him in a genuine struggle against oppressive employers, is an aim that easily justifies itself. But to force strikes upon men who are in excellent employment and desire only to work undisturbed, is detestable and utterly unsettling. It would be worth the Government's while to ascertain who are at the back of the strike so wantonly provoked at the Waterworks and to stop their activities with a stern hand. A proclamation has lately been issued in Chinese districts warning workmen that the Communists are merely making use of them for their own ends. It is for the Government to see closely that Communists are the only ones of whom this can be said.

The Ministry of War has taken over the administration of the National Aviation Association and all records and documents of the Association have been removed to the capital.

ANGLO-AMERICAN RELATIONS

Aug. 2.

The outstanding feature in the progress of recent discussions between Great Britain and the United States is that the British Government has suspended work on the construction of two new cruisers and cancelled orders for two submarines and a submarine depot-ship; and that President Hoover has responded by temporarily holding up the construction of three cruisers. This mutual gesture marks a very real advancement towards an understanding as regards disarmament to gain which Mr. Ramsay MacDonald began to devote himself from the moment of his becoming Prime Minister. A special tribute is due to President Hoover's action, because his position is probably more delicate than Mr. MacDonald's. The United States Government is definitely committed to a continuous building programme of fifteen cruisers; and already the "big navy" party has begun to grumble at President Hoover's order while Senators declare that they will ratify no agreement that does not provide for "real parity," and newspaper critics object that the computation of parity is complicated by Great Britain's hundreds of merchant ships suitable for conversion in time of war. Against this, Parliament, as the guardian of national interests, will justly claim the right to pass on any agreement which may be the outcome of Mr. MacDonald's visit to America in October. For there is one fact which cannot be got rid of and must not be neglected. Great Britain's very existence is bound up in the sea; America's is not. From this it follows that Great Britain must continue to possess a merchant fleet for her needs in times of peace, whatever objection may be raised to its potentialities in times of war; and that her general naval requirements are totally different to those of America and cannot be cut below a certain figure. Unless these facts are frankly stated on the one side and as frankly accepted on the other, no agreement appears possible. Meanwhile the welcome statement is made by Colonel Stimson that the agreement so far reached means that Great Britain and the United States will not view each other as potential enemies and will not engage in a construction race. The atmosphere is undoubtedly more favourable to an understanding than it has ever been before.

It seems certain that had Mr. Baldwin been Prime Minister again instead of Mr. MacDonald, he would have arranged to visit President Hoover this autumn. That Great Britain must cut down her expenditure and lighten the burdens of her heavily laden taxpayer, is agreed by all. With no visible apprehension of war nor any naval rivalry in Europe to mislead, reduction of the charges for the fleet both in upkeep and maintenance suggests an obvious means of relief. In passing, we wonder whether it is only to be the ships and the men in them who will suffer by "the axe," or whether at last some real effort will be made to cut down the much overgrown staff at the Admiralty. On the other hand, it may fairly be pointed out that the charges for the British Navy, which it is still not only possible but necessary to regard as absolutely vital national insurance, are a very small affair compared with the debt Great Britain is discharging to America, most of which is debt incurred by other countries to whom America would not have lent if Great Britain had not backed the bill. If a permanent

understanding is to be reached, something deeper than a mere matter of business convenience, it is surely necessary that there should be a clear understanding in the United States on this point. We know well there is a party in America who feel strongly on the question of the debt. Their contention is that the money lent to Europe by the United States after its formal entry into the war but before its fighting force could become effective, should be treated as the nation's contribution to the war. This very just argument, however, has so far not appealed to the powerful political section known conveniently as the Middle West.

But these questions cannot be left out of account if Mr. MacDonald's overtures and visit, and President Hoover's evident readiness to respond, are to bear the desired fruit. A writer in the July "Fortnightly" sums up the problem of Anglo-American relations in one sentence: "the two nations must find a way to live eternally at peace with each other." The Kellogg Pact, says this writer, "is a brave attempt to express in words the craving of our soul." The task to which leading men on both sides of the Atlantic have set themselves is not only to economize, and by their example to persuade others to economize, on naval bills, but to establish such a solid understanding as shall throw the whole combined weight of the British and American peoples on the side of peace throughout the world as against those who would trifle with it. It is a large aim and in conflict with it is the fact that the majority of the American people have never been taught and have yet had no occasion to think internationally, and that their rooted dislike of anything in the nature of a foreign commitment leads them to view with suspicion all proposals made from abroad. In varying degrees every country has to rise to a new conception of world responsibilities. To this end reduction of armaments and above all the elimination of anything suggesting military and naval competition would be a signal step.

THE STAINED GLASS WINDOW

Aug. 3.

When Captain Hook complained of being pursued by the crocodile, Smee consoled him with the remark that "after all, it's a kind of a compliment." So when people write letters to the paper more pointed than polite about the goings on of young women of the day, the latter may reflect philosophically that it is better to be rated than ignored, and that the violence of the denunciation is a fair measure of the interest which their charming selves exert for the world in general. The writer who began the controversy about bare-kneed ladies was certainly rather rude and seems to have been very unlucky. We should not have said that either bow legs or knock knees were in the least characteristic of Shanghai girls, much the reverse. But here is the important point of "Disgusted's" indignation. Something that he has seen has jarred upon that ideal of feminine behaviour which, like every man from Adam downwards, he secretly cherishes. It is the stained glass window vision, which is a natural and healthy invention of the male imagination. And because no young woman worth admiration would ever fit into such a frame, and to do her justice never wanted to, every generation has deplored "the modern girl," contrasting her with some impossible supposed type of bygone days. For the perfect woman,

like the golden age, is always just behind us, and those of us who can look back twenty-five years or so can remember exactly the same criticisms passed on the girls of those times as are now showered upon their daughters.

In the July number of the "Fortnightly," a writer sets out in search of "The Elusive Victorian Woman" and signally fails to find her. "Everyone talks of her as a clearly marked type, yet it is curiously difficult to bring even her most ardent admirers down to concrete facts about her." The writer then enumerates some of her supposed characteristics. As a girl "she showed symptoms of playfulness, even of a species of 'airy wildness,' but that soon wore off when she married and settled down to be mother of a large family". She had not much education and concealed what she had, as damaging to her chances of marriage. She was "entirely subject to the dominant male and quite dependent on his guidance". "She was physically fragile, yet she sometimes nursed her whole family through terrible illnesses, attending them single-handed day and night for weeks". "She had, above all things, charm". It does not sound like it. And in fact when the writer turns to the standard types presented by bygone novelists, she can scarcely find one which in any respect corresponds with out notions of the ideal Victorian woman. Those who seem to do so most men cannot endure. Amelia Osborne tries our patience beyond bearing; Agnes Wickfield the "Fortnightly's" contributor describes as "that sweet rather shadowy creature," but most men would pump for Dora any day, bad housekeeper and all. Lucy Feverel is the best, but, as the writer sagely remarks, "there is only one of her"; and moreover one has a feeling that Meredith set her up mainly as a tragic figure. On the other hand, any number of ladies can be quoted "who were hardy and energetic in their habits, liked their own way and took it and were altogether effective and dominating sort of people." Queen Victoria herself, though she gave her name to the age, was certainly not Victorian. She "accepted the current ideal of womanhood; she admired it, she believed in it, but somehow she never embodied it." One recalls the ruthless manner in which, on coming to the throne, she put her mother, the Duchess of Kent, firmly in her place. In her letters "what we encounter is a remarkably determined masterful kind of lady, with plenty of energy and initiative, a good woman of business and more than a little obstinate."

But if the girl of the past eludes analysis and classification so does the girl of to-day. She is an easier mark than her mother and grandmothers, because the war not only gave her the freedom, but also, by killing off the majority of eligible husbands, practically compelled her to strike out in new lines. Columns and columns have been written about "the modern girl" and we have thus constructed an imaginary type, compounded of the suppositions of second-rate novelists and the debased caricatures of some of the "society" weeklies, which most of us would have the utmost difficulty in finding in real life. No doubt there are girls who measure up (or down) to this popular (or unpopular) conception. There were in every age. In all essentials it is safe to say that the modern girl is every bit as sound at the core as every other modern girl that preceded her and every bit as human. If you prick me shall I not bleed, says Shylock.

NOTES AND COMMENTS

A Tide in the Affairs of Men

It is always hard to decide whether it is the heat of summer that brings on the madness or just the tendency of mortals to break loose once in a while. But every summer something happens, during the dog-days, to stir the imagination, to keep the police at work, to drive newspapermen to search for copy and to keep the headlines of the newspapers large, black and hot. And this condition is not limited to any one country. Things of this nature seem to move in waves. For instance, the year 1848 was one of revolutions everywhere in Europe. It was a year of uprisings and excitement. Kingdoms fell and republics were proclaimed. Karl Marx became an international figure. In distant Kuangsi, far from the general stream of Europe, a crisis took place among the organizers of the Triad Society and the numerous Hakka revolutionists who were dissatisfied with the poverty and hunger in which they lived, and the Taiping Rebellion was let loose upon China. Was it some cosmic urge that set this movement afloat upon the universe—was it mere summer excitement or a stirring of the planets in their course? Who can possibly know?

Opium in Yunnan

The quashing of opium fictions is almost as monotonous and hopeless a task as the endeavour to persuade the world of the utter untruth of that "dogs and Chinese" fable. On May 11, the "Chinese Economic Bulletin" (pp. 235 and 236) published an article headed "Hidden Treasures in Yunnan," in the course of which the writer made the fabulous statement:—"On account of its propinquity to India, Yunnan has not been very successful in the suppression of opium." The inference, of course, is that India is the source of Yunnan's opium supply, despite the latter's supposedly strenuous efforts at suppression. Even if it were not known that opium is being increasingly cultivated in every part of China where the poppy will grow, the incidence of the "trunk scandal" in America and the amazing smuggling conspiracy uncovered in Hongkong last week should be sufficient to prevent enthusiasts from endeavouring to throw the whole blame on to foreigners. We believe it is a fact that opium is cultivated in Yunnan on a greater scale than in any other province in China, which is saying much; furthermore, the Burma authorities have to maintain a large staff at very great expense to prevent the smuggling of Yunnan's surplus opium into Burma. The poppy is the principal crop on the Yunnan uplands and the yield is even greater than the notorious production in Szechuen, whilst the official revenues therefrom are understood to exceed those from all other sources. In the course of the article there are somewhat obscure

Suitably bullied, the modern girl will dissolve in tears as easily as the Victorian, and, where her feelings are engaged, will kilt up her skirts and off to the wars alongside her sweetheart as cheerfully as the famous Polly Oliver. In one respect, middle-aged folk incline to think that girls of the day make a mistake, in that they seem to be a little too hail-fellow well-met with their male contemporaries. There was, or one thinks that there was, a certain aloofness, a kind of *noli me tangere* in the girls of twenty-five and thirty years ago that was not without its value and its charm. But this may be a superficial view. The only people who could confirm it are the young men themselves, and they do not talk about such things to their seniors, nor at all perhaps until Time has shifted them gently on to the shelves of the elderly, where they may dream of the stained glass windows of the past and hold up shocked hands at the deplorable laxities of the modern girl.

references to a tract of country known as the "Jewel Field," which one gathers is noted for its jade mines. There enters that famous Chinese phrase, "a certain Power," which tyrant is charged with alienating the land of wealth from Chinese suzerainty. Proofs of that and a clearer indication of the piratical Power would be welcome, particularly as the "Bulletin" is an official publication. All that, however, has nothing to do with opium, and it would be still more interesting if the "Bulletin" could give any evidence in support of the allegations against India, and in defence against the allegations made by thoroughly qualified people that Yunnan is sown with opium almost wherever the poppy can be grown.

Chinese Tastes in Motor Cars

Some interesting reasons were given the other day to the present writer by a Chinese friend for the apparently greater popularity of American cars in China as compared with British. The speaker said that the durability of British cars, and their economy in running both on gasoline and lubricating oil, were well recognized by most Chinese, but there were certain points in American cars which appealed to them more than these practical arguments. In the first place, he said, among the more expensive cars, that is to say in the \$2,000-\$3,000 range, the Americans produced a more showy-looking vehicle than the British manufacturers, and these appealed to the Chinese eye. Also, our friend said, the Chinese did not like the British seats which, being made low, raised the knees in a manner which seemed ridiculous to Chinese taste. This point struck us, as to British notions this type of seat is much more comfortable, particularly over a long distance, than the level seat; and certainly it would never occur to a British mind that the position of the sitter was thereby made ridiculous. But the principal argument, perhaps, for the American car in China is that it is the pattern with which they are most familiar. Motor-cars were coming into most general use in Shanghai during the war, when the Americans practically had the field to themselves, with the result that the Chinese have got used to the American cars and, like everybody else, what they are used to, that they prefer.

Hongkong's Water

We, in Shanghai, who, with all our troubles, are always sufficiently supplied with water, can afford to sympathise with our brethren in Hongkong. Similarly, we now congratulate them, for, although cock-tails and beer may be all very well on their proper occasions, they are not the things we shave in and one understands that during the past week Hongkong has been deluged with rain, so that the Colony now has abundance of the precious fluid and, for the time being, can afford to cease worrying about water and can turn to consideration of its prospects against Shanghai in various Interport sporting events. These differences are strange. In Shanghai we grumble about our muddy Whangpoo which meanders through a featureless country and offers us no scenic beauties and we sigh for the seascapes and beaches of Hongkong. But we have domestic water to spare. The Royal Hongkong Yacht Club's representatives who came up here last year—and had everything except sailing, owing to the interference of a typhoon—declared that they wished they lived in Shanghai, for our houseboat life was something to be envied. Such is the effect of novelty. We have been supplying Hongkong with water and will continue to do so, in as great a quantity and for as long as she likes. We wish she could respond with a gift of scenery. Yet Hongkong's case really is serious and, though one does not doubt an ultimate solution, one still wonders how the Colony will get out of its difficulties. The latest papers from the Colony report a discussion in the Legislative Council regarding the laying of a pipe line to the mainland. Such a work is to be put in hand in the nature of an experiment, but

the Council did not attempt to ignore the fact that there are many difficulties confronting the engineers, in the way of tides, damage by ships' anchors, and other causes. Yet the successors of a people who, out of a barren rock, made such a place as Hongkong is to-day, assuredly will not be defeated over such a matter as this, and, by the time Shanghai is able to boast of regaining athletic Interport honours from Hongkong, one expects Hongkong to be able to say:—"Well, at least, we have got an unequalled water supply."

Chinese Propagandists

Propaganda usually destroys itself and its purposes by exaggeration, innuendo and stupidity. Recently a writer in the "China Times" referred, in an interesting article, to the failure of China's propaganda in this moment of need. This is naturally a very serious matter, for just now China requires all the friendship in the world and the press of both the United States and Great Britain are not taking as friendly a stand as they did even during the very trying days of 1925 to 1927. The explanation is quite on the surface: China's own statement of her case has been very badly handled, not only by Chinese propagandists but particularly by the foreigners who have been employed for that purpose. They have done China infinite damage by their falsehoods and exaggeration and the Nanking Government could serve the Chinese people in no way better than to throw the whole crew overboard and to revise the official attitude towards the foreign and Chinese Press. Incidentally, one remembers a specific instance of how exaggeration spoiled an otherwise sensible book. The "New Republic" produced a book by a Dr. T. C. Wang on the "Youth Movement in China." In this book, the learned doctor permitted himself to state that Great Britain's concessions and holdings in China amounted to 27 per cent. of the whole territory of the country. If one were to include all the outlying regions, including Tibet and Mongolia, 27 per cent. of China is just about the old 18 provinces. Any Chinese should have known that, but Dr. Wang was anxious to make a point and forgot to look at his map. Who can believe anything in his otherwise instructive book when this careless statement is read?

Pink Thursday

The collapse of the much-advertized Communist demonstrations on Thursday, which fizzled out in a little stone-throwing and scattering of leaflets, should, it is to be hoped, prove a lesson to the Communist party on the futility of trying to riot in Shanghai. It remains inexplicable why the Moscow announcement should have been made beforehand with so much publicity that August 1 was to be a day for world-wide demonstration. The essence of success in such cases is that, if possible, the authorities should be caught napping. Even then, as we pointed out a day or two ago, nothing much more could have happened than possibly the shooting of a few people and some damage to property. Society is too strongly armed against the Bolshevik. As matters were, it simply became a question of police organization versus Communist organization, and there was never a doubt of the result. At the slightest sign of a crowd assembling the police, who indeed deserve warm compliments on their excellent preparations, were on the spot in overwhelming force, and the would-be rioters immediately found that they had business elsewhere. No doubt they will try again: there are rumours that they may have a further attempt to-day or sometime next week. The frothy deluge of throwing leaflets which nobody reads, and shouting slogans to which nobody pays the slightest attention, appeals enormously to a certain sort of immature intelligence, especially in the well-guarded streets of the International Settlement, where the rioter is practically safe from being shot, or, if arrested, is sure of a fair trial, before being handed over to those who would shoot him without a moment's thought. Whatever they try, the Communists will find the police ready for them. It is pertinent to point out that in this respect the foreign police of Shanghai are playing the game of

the Nationalist Government against whom, much more than against anybody else, the Communist demonstrations are directed. In return it is only fair to ask that the Government will look into the doings of those organizations to which we referred a couple of days ago, and which, while claiming some sort of official affiliation, stir up trouble among the workers of Shanghai on a specious pretext of improving their conditions. In actual fact this simply means the calling out on strike of men who are perfectly satisfied, and have every reason to be satisfied, with their conditions of work. This is unfair to the Chinese workers, unfair to their employers, and is undoubtedly helping to create that atmosphere of unrest by which the Communist party mostly profits, and we hope the Government will do their best to stop such indefensible activities.

The Loss of the Vestris

Apart from the allocation of blame among certain officials and some general all round criticism, the report of the Court of Inquiry into the loss of the str. Vestris, which created such a sensation some little while ago, may serve to destroy a sea tradition which has its bad points. Naturally "women and children first" in the case of a wreck is wholly admirable, but the Court of Inquiry in the brief report which we have at hand, seems to suggest not that women and children should be got off the ship first, but that the chief consideration should be their safety. This in practically every case means that a certain number of men must accompany them, for the purpose of properly navigating the life boat, particularly in stormy weather when the task of keeping the craft's nose on to the waves means all the difference between life and death, and is a feat which no women could perform, even if they knew how, and very few landsmen. There is nothing of cowardice on the part of men who perform this function as crew of a boat so laden: indeed, perhaps, there is a great deal of bravery. Certainly it calls for the intelligent application of a principle which unfortunately seems to be so expressed in such words as to cast some sort of reproach on men, who thus happen to be saved, in the eyes of the unthinking, for to put lifeboats afloat in a raging storm, laden with women and children, without sufficient crews to navigate them is foolhardy, instead of brave on the part of the men who stay behind.

RADIO

The China Broadcasting Association, 17 The Bund, Shanghai, announce the following programmes, which will be preceded by the chiming of the hour. Wave length 835 metres.

Daily Except Sunday:

At 1 p.m.—Musical programme.
Monday.—Operatic and instrumental.
Tuesday.—Instrumental and vocal.
Wednesday.—Light music, etc.
Thursday.—Various.
Friday.—Vocal and instrumental.
Saturday.—Light opera, band, etc.
Each programme will be interspersed with orchestral music.

At 7 p.m.—Wednesday and Saturday light classic selections; other days dance music.

At 9 p.m.—North-China Daily News news service to be followed by programme as announced below.

Forthcoming Programmes

SUNDAY, August 4.—Church Services.
11 a.m. Community Church
6 p.m. Holy Trinity Cathedral
8 p.m. Gospel Mission
TUESDAY, August 6, 9 p.m.—An address consisting of a letter to Mr. Ruyard Kipling from Robert Lynd, Majestic Hotel Orchestra.
FRIDAY, August 9, 9 p.m.—Selected classical programme.

In accordance with a resolution of the Kiangsu Provincial Government, the properties of the Shanghai District Government are to be sold and the proceeds will be used for the erection of a new hsiang building in Minghong and for the removal of the archives, etc. thither.

NEWS FROM THE OUTPORTS

THE IMPENDING DOOM OF KANSU

Ghastly Story of the Sufferings of the People: Pathetic Plea of "We Were Only Eating What the Dogs Ate"

The following graphic extract from a letter received on July 29 requires no comment. The letter is written by the Rev. W. W. Simpson of Minchow, Kansu, to the Associated Mission Treasurers, Shanghai, which body is receiving subscriptions for Mr. Simpson's famine relief fund. Mr. Simpson says:—

Conditions are getting worse all the time instead of better. Marshal Feng's armies, quartered all over Shensi and Kansu are seizing all foodstuffs and leaving nothing for the people. This year's harvest is barely enough to feed the soldiery, hence the people must surely starve. Only by aeroplane can any relief work now be carried on. If you get a chance to see the American Red Cross Committee of Investigation please give them all the information I have from time to time given you. If they can arrange aeroplane service to Kansu some rescue work can be done, otherwise nothing can reach us. Unless this is done the Shensi and Kansu Provinces will be depopulated by next year, leaving at the most only 20 to 25 per cent. of the native population. It is horrible to think of it! I shall be glad to give my services to help them in every possible way.

The Mohammedan rebellion is still going on, has never been quelled. Ma Ting-hsiang reached Nanking a month ago hoping to be accepted by the Nanking Government to fight in Kansu against Feng. If he is accepted by Nanking it means the rising of the entire Moslem population of Shensi and Kansu and the carnage will be dreadful! What the result will be only God knows! Thanks for all your prayers and help.

No Rain for Four Years

Peking, July 29.

The return of the investigators of the China International Famine Relief Commission makes it possible to sum up the famine conditions prevailing throughout North China.

Since the spring, relief measures and rain have considerably reduced the famine area while the number of sufferers has been halved, about 35,000,000 people now being affected.

The areas in which there is famine are central Kansu: Shensi from Sianfu northwards: north of Suiyuan, Shansi: north of Charhar, Inner Mongolia, and the Yellow river basin from the Shensi border to the sea. The suffering in these areas is intensifying daily.

In central Kansu there has been no rain for four years, and the wheat sowing area is like a desert. In Anting city the population has been reduced to 3,000 from 60,000. Unquestionably there is much cannibalism there. An investigator reports that one Magistrate sought to punish those discovered eating the corpses of famine victims, but the cannibals pointed out that they were only eating what the dogs ate.

Typhus's Toll of Foreigners

Apart from the areas mentioned, rain has now fallen in all the provinces, promising fair autumn crops which will enable the inhabitants to carry on until the spring crops of 1930 are harvested. The change in the conditions has also induced the grain hoarders in many places to put their stocks on the market and this is appreciably improving the position.

The Shansi province is well supplied with food as the Shansi Government bought immense quantities of grain.

In north Honan the Chinese Society is improving the position by assisting emigration to Manchuria. Fourteen thousand people have already left and more are going as soon as the railway opens up westward to Loyang.

Typhus has taken a heavy toll of foreign workers. In Kansu twenty were infected and only seven recovered. The thirteen who died include French priests and Anglo-American missionaries, but names

and other details are at present lacking.—Reuter.

\$3,000,000 for Relief

Nanking, July 30.

At a meeting of the Administrative Yuan this morning it was decided to issue \$3,000,000 of short-term bonds for famine relief in Shansi. The revenue from the Shansi Farm-tax will be used as security.—Reuter.

CHRISTIAN GENERAL AND FAMINE FUND

Honan Has to Make Good His Forged Loan of \$120,000

FROM OUR OWN CORRESPONDENT

Kaifeng, Honan, July 26.

The editor of the "Peking Leader," Mr. Grover Clark, recently paid our city a visit, as a representative of the International Famine Relief Commission, in connection with the enforced "loan" of \$120,000, which sum the Commission had on deposit with the Bank of Communications, which the Honan Government Finance Department, under the Commissioner, Hsue Tu-pi, borrowed at the point of rifles in the hands of Marshal Feng's soldiers. This incident has had the effect of alienating the sympathies of the well-wishers of Honan, and has greatly militated against the relief of the innumerable sufferers by this present famine within the Province. Whenever the Commission has been approached for assistance, the only possible answer it could give was that it was prepared to make grants, but only after the Honan Government had repaid the "loan." Thus, when the Honan Society for the Colonization of Famine Sufferers in Manchuria appealed to the Commission for assistance, the result was this visit of Mr. Clark, to interview the present Government as to the possibility of the return of the \$120,000.

When Mr. Teng Cheh-hsi was the Chairman of the Provincial Government, he sent a promise to pay by the mouths of the Honan representatives to the annual meeting of the Commission at Tientsin last autumn. When the Commission's engineer, Mr. Todd, was here in the spring of the present year, to look into the claims of the south-west for relief measures, the then Chairman, Gen. Han Fu-chu, acknowledged the obligation of the Government to repay, and it was Mr. Clark's mission to General Han, and the present Government, to see if by any manner of means the time had arrived when the repayment could be effected.

Agreement to Repay

The Commission felt the greater confidence in sending its representative here at the present time, as it was aware of the fact that the Nanking Government recently allocated to the Honan Government \$800,000 in Famine Relief Government bonds, which are even now being disposed of on the Shanghai market at a rate that will net the local government well over \$500,000. The time was propitious, the envoy was persuasive, and, after being fêted and feasted for nearly a week, Mr. Clark returned to the Commission to report that the whole of the fund, forcibly taken in 1927, will be restored in three instalments of \$40,000 during the ensuing three months. Both Mr. Clark and the Honan Government are to be sincerely congratulated on this happy issue of what has been a very unfortunate circumstance.

When Gen. Han Fu-chu met Mr. Clark, he bewailed the fact that, with the best intention in the world, his Government had been unable to make the payment promised, because of the lack of funds even to carry on the functions of the Government. It is a well-known fact that what is called the "Government of Honan," with General Han as Chairman, controls at the present time a very small portion of the province, and therefore cannot collect even the

SIANFU SHUT OFF FROM THE WORLD

Not Even Allowed to Read of British Elections

FROM OUR OWN CORRESPONDENT

Sianfu, Shensi, July 9.

There is little news to give from this part of the world. Soldiers have come and gone, mostly from the east, food prices have soared and declined, the prices of the people have been raised by showers of rain and then dashed by long dry days of burning wind, and only the common movement passes before us of sun and clouds, life and death.

Early in May came the rumour of Marshal Feng withdrawing troops from Shantung. Then the news of a definite break with Nanking sent up the price of food and made one very anxious. Some foreigners who had been to a conference at Taiyuanfu got back in record time—two days by motor bus nearly to the Yellow River, then a day crossing the river and resting at Tingkuan, and half a day by motor on to Sianfu. Since May 20 we have had no news of outside China at all. After a few weeks of a total block, our foreign mail began to dribble through, but the military censorship is strict and all China newspapers are detained at the Post Office. We only learned the results of the British elections from the lips of the Censor himself, who read from one of our newspapers which he refused to let us see. Curiously enough, there have been few rumours. Apart from one or two sensational reports about Feng himself, which we have no means of verifying, nothing might be happening to China.

Harvest Speculations

The one important question with us now is whether there is going to be an autumn harvest. Apart from watered land, there was no wheat harvest in June, but since then there have been some welcome showers and millet and maize have been planted. The rain, however, was too light to give the crops a good start and, now that the scorching heat has come, everything has been burnt up. In the northern hills, however, we hear of two days' continuous rain, which has almost guaranteed an autumn harvest, but in the more populous parts of the province the situation is serious, for even the well-to-do people are getting to the end of their resources. An additional gift of \$58,000 from the International Famine Relief Fund has been very welcome. It is being spent on developing existing relief work, and enlarging the refugees and gruel kitchens, which have been proved to be efficiently run. To gather three or four hundred destitute children into suitable airy rooms and courtyards, to feed and teach them, and carry them through to the end of the famine is a most effective way of using relief funds, and that is being done in a number of places. There is a lot of fever in the city just now, both typhus and other kinds, and that makes it the more important to get those we help into healthy surroundings.

Outside in the country there are the familiar conditions. The cities full of soldiers, the roads infested by robbers every night, here and there banditry burning and carrying off for ransom, and the patient people living through it all.

Small income that it would otherwise have. In Chengchow there is Gen. Tang Seng-chi: in Hsuehchang there is Gen. Fang Chen-wu: in the sector of the province north of the river there is Gen. Liu Chen-hu: at Loyang there is Gen. Sun Liang-chen: and each of these leaders controls the district in which he is situated. Thus it may well be the truth that, as rumour has it, Gen. Han has asked to be permitted to resign from the chairmanship of the Honan Government committee. The same report asserts that Nanking has refused this request, and has promised that means will be provided to give the Government control of the province. At the present time, the Chairman has asked for leave, on account of the death of his aged mother. General Shih Yu-shan will act for him until such time as he is able to return to duty.

FLOODS IN NORTH CHINA

Parts of Peking Already Under Water: Tientsin in Danger

By "Flood Tide"

Tientsin, July 26.

If Tientsin is visited with a repetition of the disastrous floods of 1917, it cannot be said that they were unexpected, or that no warning had been given. The root of the evil lies in the Yungtingho, principally, and to a certain extent with the other tributaries of the Haiho, the Tachingho and Peiyungho are also responsible, although to a much smaller extent.

Had the present unsatisfactory state of the Haiho been remedied and all the mud and silt driven away and the river deepened, any overflow of water would have, naturally, continued its outlet to the sea in a normal manner. But as matters stand at present, the Haiho is nothing but a bed of silt and mud and no amount of water will or can have the effect of thoroughly scouring the river bed.

Yungtingho Twice Burst

The southern suburbs of Peking have already felt disastrous effects of the first breach in the Yungtingho which was about 700 feet, many villages were inundated and thousands of people rendered homeless. Now comes the alarming news that on the night of July 23 Dyke No. 35 on the northern bank of the Yungtingho burst as a result of a sudden rise in the water level of the river causing a breach of between twenty and thirty feet. Although the villagers and soldiers are doing their best to to patch up the breach, there is no getting away from the fact that the situation is extremely critical.

General Shang Chen, Chairman of the Hopei Provincial Government, who has visited the spot and knows exactly how matters stand and the urgency of immediate relief has telegraphed urgently to the Nationalist Government at Nanking asking for financial aid; but as the upkeep of the dykes is not, strictly speaking, a government concern, but purely a local one, it is difficult to see how Nanking can help unless, realizing the gravity of the situation, and the menace to Tientsin, it decides to make a financial grant out of its own pockets. It is estimated that at least \$500,000 will be required satisfactorily to cope with the present condition of things, such as patching up and strengthening of the breach and relief to the villagers whose houses have been washed away.

The Danger to Tientsin

Should we have any further heavy downpour of rain and a continuance of the summer freshets, Tientsin cannot escape the danger of floods. The overflow of water will come direct into the Haiho, the surrounding country and villages will be flooded and the city of Tientsin will be turned into a miniature Venice. The Italian, French and British concessions and other parts of Tientsin including the Native City will all be flooded.

Time and again the danger of a recurrence of the disastrous floods of 1917 has been brought to the attention of those responsible for the upkeep of the Haiho if something were not done at once to put the Haiho in order. But all to no avail. Finally, the Haiho Improvement Scheme has been put through and work is supposed to start forthwith. But the days of miracles are past. No work started on now to improve the Haiho can prevent the flood danger to Tientsin. It will take at least one year to carry out the Improvement Scheme.

Later.

Although reports just to hand are more reassuring with regard to the flood menace, the situation is still critical.

Sudden Rise of Yungtung-ho

Peking, July 30.

A further rise of five feet of the Yungtung-ho has been registered during the past 24 hours and it is now generally believed that the Peking-Tientsin area will be flooded.

Rail communication on the Peking-Liaoning and the Peking-Hankow Lines is expected to be interrupted unless the continuous downpour stops immediately and the rivers in Northern Chihli recede.

PAYMENT OF TAXES IN KIUKIANG

Liability of British Allowed: Nanking Statement's Limits

According to a statement made by Dr. C. T. Wang at the close of last week, the Foreign Ministry has been informed "that the British residents in the former British concession at Kiukiang have been instructed by the British Government to pay taxes to the Chinese authorities as the law may require. This is the first time that foreigners in China are made to pay taxes according to China's law. Steps will be taken to require all foreign residents in China to do the same" and Dr. Wang commented on this "friendly gesture" as a first step towards the abolition of extraterritoriality.

What Taxes are Meant

The statement appears a little too wide in its application and, as it stands, implies more than is actually the case. It seems to refer to the notification sent us by our Kiukiang correspondent on June 28, which dealt with municipal taxes to be paid by British residents of the ex-concession. So far no news of any move to put British residents in Kiukiang under other Chinese taxes has been received in official circles here. The notification sent by H. M. Consul to residents in Kiukiang on June 28 reads as follows:—

"I am authorized by His Majesty's Minister to inform you that it is proposed to allow the Chinese authorities to collect municipal taxes on British-owned land and houses in the Special Administrative District at this port. The maximum taxation to be allowed is 8 per cent. of the assessed values of properties as shown in the last assessment of the Kiukiang Municipal Council."

Unequal Treatment

At that time our correspondent made investigations into the taxes paid by the Chinese to their municipal government outside the Concession and found that the administration was in such a chaotic state that any true estimate of the taxation in that quarter was impossible. His investigations led him to the belief, however, that the Chinese paid considerably less than foreigners inside the ex-Concession.

The only regular tax paid by the Chinese he was able to trace was a house tax varying between \$3 and \$1.50 according to the house. The conditions in the native city he describes as extremely bad, while those in the ex-Concession had degenerated beyond belief since the area came under Chinese administration. Dirt and squalor prevailed where there was once cleanliness and order. British residents in Kiukiang thus took this new instruction hardly, and were ranking under a sense of unfair treatment.

ENGINEER FREED BY BANDITS

Italian Captive Held for Forty-four Days in Honan

N.C.N. SPECIAL SERVICE

Hankow, July 30.

After 44 days of captivity M. Riva, Italian engineer employed on the Lunghai railway, has been released from the clutches of Honanese bandits.

The engineer was captured at Loyang, Honan, on June 14. A ransom of \$50,000 was demanded by the brigands.

M. Riva's release came as result of the efforts of his Consul, coupled with co-operation by the Chinese authorities.—United Press.

In time to save the rails from being washed out of their position.

A petition from the Chihli Provincial Government has been dispatched to the central authorities urging the immediate remittance of a large sum of money to meet conservancy expenses of the various waterways in Northern Chihli.—Ta Ching.

Flood Danger to Peking Removed

Peking, Aug. 1.

The cessation of rains has caused the rivers in Chihli to subside and the floods are gradually retreating.

Traffic has been resumed on the Peking-Hankow Railway where the damage to the line proved to be slight.—Reuter.

HAIHO CONSERVANCY TO BE BEGUN AT LAST

A River That is No More a River: Yungtingho Overflows:
Tientsin Threatened with Floods: Gen. Shang
Gets the Scheme Going

BY "FLOOD TIDE"

Tientsin, July 25.

The Haiho is no longer a river. Up till a few days ago this most important outlet to the sea at the upper reaches of the French concession near the International Bridge was in a terrible state, and at low tide long strips of green grass could be seen sprouting out of the mud. The navigable channel is getting narrower every day and navigation even for the registered lighters and tug boats is becoming more difficult and dangerous. Strange to say, by some freak of nature although the navigable channel was getting narrower the depth of water was greater, and local shipping firms were buoyed up in the hope that a 10 ft. draught would be feasible, and a Harbour regulation issued to that effect. However, this hope proved to be short-lived, in fact, although 10 ft. of water was actually the depth of the navigable channel, this only lasted for a couple of days, and the river went back again to its usual unsatisfactory state, 8 ft. The heavy rainfall which we have of late been experiencing in North China instead of having any appreciable effect on the Haiho seems to have acted contrariwise, and more mud and silt is still pouring into the river.

The Yungtingho Overflows

On the top of all this the Yungtingho which is primarily responsible for the present condition of the Haiho, overflowed causing a breach of over 700 ft. in length, so wide that all efforts to patch it up have proved futile. While this breach proved disastrous to the low lying districts of Chohsien (Chouchow) Kianahsien Wanpinghsien and neighbourhood, which have been inundated to a depth of 4 ft. of water and the southern suburbs of Peking are threatened, this has proved a blessing in disguise as far as the Haiho is concerned, or to be more correct Tientsin, as otherwise the flood menace would have been practically at our own doors. On the 20th there was no flood tide in the Haiho and the overflow from the Yungtingho continued to run into the Haiho, but not in sufficient quantity to wash away all the silt and mud. In fact the water which did run into the Haiho from the Yungtingho was also laden with silt and sand and in reality made the river conditions even worse than before.

An Urgent Conference

Fortunately, General Shang Chen, Chairman of the Chihli Provincial Government and President of the Haiho Improvement Scheme, realizing the urgency of putting in hand at once the long delayed temporary or palliative scheme for the amelioration of the Haiho came down to Tientsin by special train on Thursday night and at once held a conference on Friday morning with the Chinese bankers in connection with the floating of the already authorized of \$4,000,000, and afterwards a conference was held at the offices of the Tientsin Municipality to go thoroughly into this matter and devise ways and means to carry out the work at once.

During the course of an interview which I had with General Shang Chen on Sunday morning at the Villa West Lake in Racecourse Road some interesting details came to light in connection with what has prevented the carrying out of the Haiho Improvement Scheme which since several months has been officially sanctioned by the Nanking Government.

On Saturday afternoon from 4.30 until gone 7.30, a meeting was held in the Tientsin Municipal Building when many important points were discussed and obstacles overcome, which had hitherto stood in the way of this most important work. At that meeting were present Mr. C. E. Gauss, the United States Consul-General and Chairman of the Haiho Conservancy Commission—who came down specially to Tientsin from Peking to attend the meeting, General Shang Chen, President of the Haiho Improvement Scheme, Mr. Yang Pao-lin, constructional

engineering expert, Mr. J. Hardel, engineer-in-chief to the Haiho River Conservancy Commission, Mr. Z. S. Bien, manager of the Bank of China, Mr. T. C. Shoung, Director of the Tientsin Municipal Harbour Board, and Messrs. Wang and Kao, representing the Tientsin municipal government.

Raising the \$4,000,000

At the previous meeting held with the Chinese bankers on Friday when the question of the loan was discussed, everything was satisfactorily arranged and agreed upon, that is to say, that as far as the Chinese bankers were concerned they agreed to subscribe their share of the \$4,000,000 loan which was \$2,000,000. With regard to the other \$1,000,000 which was to be raised by the foreign banks, that is the Hongkong & Shanghai Bank, Chartered Bank the National City Bank of New York and the Banque Franco-Chinoise, objection was raised that in the official Mandate issued by the Nationalist Government at Nanking nothing was mentioned about the foreign banks participating in the loan. In fact no foreign banks were mentioned at all. In this connection General Shang Chen pointed out that the work of improving the Haiho was being undertaken purely as a Nationalist Government concern for which the Nanking Government was entirely responsible, and that the foreign banks must not think that a slight had been put upon them because their names had not been mentioned. Unofficially, it was understood that the foreign banks would participate in the loan, the more so, that the carrying out of the Haiho Improvement Scheme was just as much in the interests of foreigners as Chinese. Even some of the Chinese bankers who were subscribing to the loan were not mentioned in the official Mandate such as the China and Java and South Seas Bank, the Kinchen Banking Corporation and Yien Yieh (Salt Industrial) Bank, for the reason that the Nanking Government did not look upon these banks as government banks directly under its control. The only Chinese banks mentioned in the official Mandate were the Bank of China, Bank of Communications and Central Bank of China, all of which were under the direct control of Nanking.

Foreign Banks' Representation

The collection of the interest and allocation of funds would be left in the hands of a custodian duly appointed and authorized by the Nanking Government, and that party would be responsible to the Government for all monies which he received in connection with the Haiho Improvement Scheme. The foreign banks would be looked after and protected in the same manner as the Chinese banks.

This suggestion was not acceptable to Mr. C. E. Gauss, who said that he must first of all consult with the foreign banks who intended to subscribe to the loan, on this point. To his mind he was of the opinion that not only should the foreign bank be officially recognized, but that a foreign official should be appointed who would look after and be responsible to the foreign banks with regard to their share of the loan.

At this point the meeting adjourned until nine o'clock on Monday morning, when it was hoped that some arrangement of a satisfactory nature would be come to with regard to the foreign banks accepting the terms of the Nationalist Government.

General Shang Interviewed

The question of personnel to be engaged in carrying out the work was arranged satisfactorily to all parties, so it was understood, and the constructional engineer who would carry out of the work and be responsible for its satisfactory performance would be left in the hands of the Nationalist Government.

"But supposing the foreign banks do not care to subscribe to the loan on the conditions proposed?" I asked General Shang.

"Well, in that case we shall be sorry, but we shall try to raise the \$1,000,000, privately, through other sources. In any case the \$3,000,000 which the Chinese banks have already agreed to subscribe will be sufficient to enable us to put the work in hand at once."

"But this Haiho Improvement Scheme has been hanging fire so long that it seems almost too good to believe that anything will be done this year. Is it not already too late to start work this year?"

"Not at all. This is a most urgent problem and of vital importance to the trade of the Port of Tientsin. I am determined not to leave Tientsin until everything has been satisfactorily settled and the work started. We have lost too much time already and we cannot afford to waste any more."

"Then it can be practically taken for granted that no further hitch will occur, even if the foreign banks do not agree to participate in the loan?"

"Yes, I will see that the Scheme goes through and that the work is started at the earliest possible moment," was General Shang's concluding remark.

A Keen Man of Business

General Shang is of medium build, answered all my questions in a straightforward manner, and seemed to be thoroughly conversant with his subject. He appeared to be more of a business man than a Chinese military official. The interview took place at 11 o'clock in the morning on a Sunday and the appointment was kept to the dot, which is all the more remarkable as the majority of Chinese officials generally make their appointments some time after six in the evening, and one is very often kept waiting for one hour, at least. Not so with General Shang. He evidently is a great believer in business efficiency and that time is money.

A further meeting took place on Monday morning which lasted from 9 till 1.30, at which the following resolutions were passed:

(1) The Haiho Improvement Commission to be organized forthwith.

(2) The Bank of China and the Bank of Communications to be approached for an advance in order to enable the work to be started at once, as the sum of \$100,000 has already been collected in surtaxes levied in connection with the Haiho Improvement Bonds.

(3) Commission to be composed of Mr. Yang Pao-lin, Mr. H. Van der Veen, Mr. T. C. Shoung and Messrs. Li Yi Tze and Chen Yu Kao, the latter two representing the Nationalist Construction Commission.

The monthly expenses of the newly formed commission will run into about \$1,200 and a further \$30,000 will be required to liquidate outstanding debts as well as the renting of the necessary premises for offices, etc.

The next item on the Agenda will be the organization of a Technical Committee to be in charge of all technical matters. Five persons will serve on this Committee who will elect a Chairman. Several Sub-Committees will also be formed who will attend to the drawing up of the regulations governing the functions of the different departments, such as an engineering department, General Affairs Department, Secretariat department and a Treasurers department.

Mr. Gauss, the United States Consul-General, has again been asked to approach the foreign banks to see whether it is possible to induce them to participate in the loan.

Immediate Danger to Tientsin

Irrespective of all this good work, there is still the danger of Tientsin being flooded as in 1917. The overflow of the Yungtingho near Peking has saved Tientsin, for the time being, but a continuance of the exceptionally rainy weather which we have been experiencing of late is bound to cause a diversion of one waters of the Yungtingho into the Haiho. Neither will this materially assist in remedying the present unsatisfactory state of the Haiho. River experts incline to the opinion that there is already so much silt, sand, and mud in the river that no amount of rain or water will have the effect of thoroughly scouring the river. The silt, sand and mud will still remain, and Tientsin will be flooded. As things at present stand it looks very much as if the Haiho Improvement Scheme has come too late.

SEVERE EARTHQUAKE IN JAPAN

Tokyo-Yokohama Area Involved in Tremors which Did Little

Damage: Communication Interrupted: One Fatality

Tokyo, July 27.

There was a severe earthquake in the Tokyo-Yokohama area this morning. It was so severe that people rushed out of their houses, clocks stopped and there was some dislocation of telephone communication.

The earthquake shock experienced this morning was one of the most severe since the terrible catastrophe which occurred in 1923, but owing to the absence of any outbreaks of fire the damage done was very slight.

The Observatory announces that the seismic centre was, approximately, thirty miles south-west of Tokyo while the maximum amplitude was thirty millimetres.

The shock was felt in Tokyo, Yokohama, the famous health-resort Kamakura and in the Tokaido as far as Shizuoka but Osaka, Kobe and Kyoto were absolutely unaffected.

A partial interruption of the telegraphs occurred in Tokyo and Yokohama, but this was not sufficiently serious to interfere with business.

Trains in Tokyo, Yokohama and on the Tokaido Railway were halted for a short time to see whether any damage had been done to the

railway-bed by the 'quake, but normal traffic was soon resumed.

Later.

Reports now trickling in show that the earthquake in Eastern Japan, which occurred at 7.48 this morning, affected an unusually wide area, centring 25 miles south-west of Tokyo. It was felt at Nagoya to the west and at Suomiya to the north, but most severely in the Yokohama, Yokosuka and Kamakura districts where telephone, telegraph and power lines were interrupted, causing a suspension of communications and of tram-car and train services for a short time.

A telephone message from Yokosuka states that one workman engaged in the task of reconditioning the battle-cruiser Kongo was shaken from his perch and has died from the injuries he received. Three other workmen and two bluejackets were also seriously hurt.

A warehouse at Hachioji collapsed. In Tokyo the damage was negligible, but the people were frightened and thousands ran out of doors.

The official report states that the 'quake was the most severe that has occurred in this district since May, 1928. The seismograph showed that oscillations continued for half an hour.—Reuter.

DROUGHT AND FLOOD IN THE SOUTH

Both Causing Great Suffering:
Pest of Crabs

FROM OUR OWN CORRESPONDENT

Canton, July 16.

Hongkong's water problem was serious, but the authorities, by promptly sending out vessels which have returned with their tanks filled with the precious fluid, have furnished relief which has tided the people over during the period of shortage. But nothing that man can conceive of will relieve the suffering of many a Kuangtung farmer. Above Canton, along the West River, are acres upon acres of paddy fields filled with ripening grain that will not yield a cent of profit. The long drought has done irreparable damage to the rice.

It is the irony of fate that some farmers in South China should suffer from lack of water while the crops of others have been destroyed by a flood. Above the Kuangsi city of Wuchow lies the county of Lai Po, one of the richest agricultural sections of that province. On July 5 the rainfall in the hinterland was so excessive that the waters of the two streams that irrigate this region rose and, two days later, overflowed their banks. The waters continued to rise and spread over the whole of Lai Po. Several hundred peasants were drowned, and nearly all the cattle, poultry, and other living creatures in the farmyards were destroyed. The farmers have had to take to boats and rafts, and relief parties from Wuchow have gone into the flooded area to rescue the victims of the unruly river.

Below Canton, scarcity of rain has not caused the growing grain to dry up, but a calamity of a peculiar kind has done damage that will ruin most of the rice in the country bordering on the Pearl River. In this swampy land lives a small member of the crab family that has been looked upon by the peasants as a blessing rather than a curse. Cut up into small pieces, these crustaceans have made fine food for the farmer's ducks. All is so different this year. Something about these pigmy crabs is poisoning the ducks, and many of them have died. The long hot spell has caused a much larger colony of these little creatures to abound in this region than usual, and lacking sufficient food because of the increased number, the crabs have taken to nipping at the rice stalks. This has kept the rice from developing as it should.

According to the Chinese press, the Minister of Railways has ordered a resumption of through transportation facilities over the Peking-Suiyuan, Peking-Hankow, Kiao-chow-Tsinan, Taiyuan-Chengling, Lunglei, and Tao-ching Railways.

COL. ROOSEVELT ON HIS TRIP

A Most Successful Expedition:
An Appreciation of Help

Completing his scientific expedition in Asia for the Field Museum of Chicago during which he secured a specimen of the rare giant Panda, Colonel Theodore Roosevelt arrived in Shanghai on August 1 en route to Washington to take up his duties as Governor-General of Porto Rico. Interviewed by a representative of the "North-China Daily News" Colonel Roosevelt said they had a most successful trip except for the tragic death of Mr. Russell Hengde, who died from the effects of sub-tertian fever.

This week the expedition practically terminated and they were bringing in a large collection of big and small mammals, birds and reptiles. The giant panda killed by Colonel Roosevelt and his brother Kermit is "I believe" said Colonel Roosevelt "the first ever killed." The panda was shot in the latter part of May in the lower mountains which lie between the Szechuan plains and the plateaux of Tibet. Colonel Roosevelt went on to say that the scientists are not agreed as to the classification of the panda. The differences in opinion claim the bear, panda a mule or sub-species but this specimen will give them the opportunity to classify the animal. This was the first time in history that such a specimen had been obtained for scientific study.

Courteous Chinese Officials

Colonel Roosevelt was most emphatic in expressing his appreciation of the Chinese officials of the Central provinces. His party was very courteously treated by them and by the missionaries. The French Catholic, the China Inland Mission and the Baptist Mission were more than kind.

Colonel Roosevelt concluded the interview by saying that the "North-China Daily News" was the only paper that had interviewed him during his expedition and that he had met many of the "North-China" correspondents from time to time along the Tibet border line.

KUANGTUNG'S BUDGET

Estimated Deficit of \$9,000,000

Canton, July 31.

According to the provincial budget for the 18th Year of the Republic compiled by the Provincial Finance Department, the total receipts of the province of Kuangtung are estimated at \$32,159,899 and the total disbursements at \$41,170,862, leaving thereby a deficit of approximately \$9,000,000.—Kuo Min

CANTON'S CAPTIVES ON EXHIBITION

Led in Bonds Through the Streets

FROM OUR OWN CORRESPONDENT

Canton, July 20.

The last prisoners to be taken in Canton's civil war, the remnants of General Hsu King-tang's army, were yesterday made a public spectacle, as a gentle reminder to all who may be inclined to go against the government that such a course can only end in their ruin and disgrace. First came the ordinary privates, each with one hand tied to a long rope which extended the length of the column. Officers marched in the rear, hands tied behind their backs, and guards with fixed bayonets marched on either side of the moving column. The prisoners were broken up into several groups, so as to attract a larger number of spectators. The streets were kept clear, and, after one group of captives had passed, the crowds were kept from moving across the road, being made to wait on the sidewalks until the last of these bands of miserable creatures had passed.

By stating that the last of the rebels have surrendered, it is meant that no enemies of the established government are now in the field. However, Huang Shao-hung's lieutenant, Wu Ting-yang, and his underlings, although they are remaining passive, have not signed the peace compact to which the National Government asked them to affix their signatures. Gen. Lui Wun-yim has been commissioned to serve on Gen. Wu a notice that he must leave Kuangsi, and the officers under him must declare their allegiance to the Nationalist Government without further loss of time.

As a reward for the good work he did during the campaign against Kuangsi, Gen. Pan Shih-shang, the Wunan leader, has been offered a seat on the Kuangsi Provincial Council. The appointment will not be accepted, for, if Gen. Pan attaches himself to the government of that province, his military prestige will shrink to virtually nothing. Kuangtung's Commander-in-Chief, Gen. Chen Chi-tang, has fixed 25,000 as the peace footing of the Kuangsi military force, and, when the pruning knife is applied, the Wunan General would be sure to lose practically all of his command.

Kuangsi's Debased Currency

It costs \$50 to eat an ordinary meal in a Kuangsi restaurant to-day if one pays for it with paper currency; \$3 will buy a package of cigarettes, if one is not too particular as to the grade; and a bowl of good congee will cost \$10. Kuangsi bank notes are worth but three cents on the dollar. Provincial Chairman, Yu Cho-peh, has told the Canton officials that there is no hope of redeeming this worthless currency, and it will be best to let it go to the dogs and do something about the silver coinage, so that the public may have at least one monetary medium in which it may have confidence. Kuangtung subsidiary coins are legal tender in Kuangsi, although in Kuangtung coins from the neighbouring province cannot be used. In fact, anyone up in Wuchow or Nanning would much prefer to be paid with Kuangtung silver, especially the bright silver tokens of the 18th Year of the Republic. Five of the Kuangsi twenty-cent pieces will bring but eighty cents in Kuangtung money, for nearly all of it is counterfeit, or else of light weight. Mr. Yu wants the Kuangtung government to send him a supply of its own silver coins, and he proposes to send Kuangsi silver down to Canton to be melted and recoined at the mint.

Stores in Canton are beginning to display notices urging the public to use their Central Bank notes when making purchases. These notes are down but five points below par, and many shopkeepers think these five points will be recovered very soon, so they are glad to accept the paper money at its face value. To hasten the complete rehabilitation of the Central

WINE, WOMEN AND—MAH JONGG

Ruined Canton Officials Who Decamp with Funds

FROM OUR OWN CORRESPONDENT

Canton, July 16.

The Provincial Chairman, Gen. Chen Ming-chu, has devised an ingenious scheme for reducing the forces in the government offices. A thousand or so clerks were dismissed one day this week, but the Chairman does not want to stop there. He has been complaining of the way military and civil officers have been carrying on, spending their money on wine, mah jongg, and female entertainers. Quite frequently, army officers, after being given the payroll for their commands, have turned their faces away from the camp and kept on travelling and wine, women and "sparrow" have been their downfall. So the Chairman has set out to blot out these evils.

Already a few civil clerks have been caught transgressing Chen Ming-chu's anti-mah jongg ordinance, and one or two military officers have also been brought to trial. While they are at it, the authorities are determined not to stop at mah jongg playing. Even the ordinary privates in the ranks have been too independent to suit them and, among other things, have been wont to ride on street cars and ferries without paying. Passing buses are being stopped by the military police and the soldiers on board questioned. When a uniformed man is found to be riding free and without authorization he is led away to the disciplinary barracks.

SCHEME TO REVIVE PEKING

Northerner's Project to Make It a Concurrent Capital

Nanking, July 29.

To Mr. Chang Chih, once chairman of the defunct Peking Division of the Central Political Council, belongs the credit of advancing the novel idea of making Peking a "concurrent capital" of China.

According to Mr. Chang, the removal of the nation's capital from Peking to Nanking has seriously affected not only the commercial and material prosperity of the former capital, but also to a large extent its cultural and educational ascendancy.

"However," continues Mr. Chang, "since to move the capital back to Peking is out of the question, we must find some way of remedying the situation by making Peking a concurrent capital of the country so that the prosperity and well-being of the former capital could be regained to the benefit of the people there. Such a scheme is not at all impossible and not without historical precedence; for in the Sung Dynasty there were the Eastern and the Western Capitals and later in the Ming Dynasty there were the Northern and the Southern capitals."—Ta Chung.

HONGKONG, July 28:—According to a report from the Postal Commissioner in Yunnan, on account of the present military activities in that province all parcel posts are liable to delay.—Kuo Wen.

SAYS the Chinese press: "Owing to the interruption of communications on the Trans-Siberian Railway, the Chinese delegates to the International Chamber of Commerce in Amsterdam have found themselves marooned in Europe and they will have to return via Suez if railway traffic is not resumed in the immediate future."

Bank notes, the Provincial Treasury is asking all the tax monopolists to pay in advance one month's instalment of the sums that their contract requires them to pay, and this advance payment must be made in Central Bank notes. Repayment will be made in three monthly instalments. When these monopolists have fulfilled this new obligation, the government feels certain that the paper bills will be worth every bit as much as the 18th year silver coins.

NANKING'S GESTURE OF GOOD FAITH

Respect for Foreign Property: Strict Orders to Troops

FROM OUR OWN CORRESPONDENT

Kaifeng, Honan, July 25.

Back in Kaifeng again, after an absence of two weeks, I find the situation little changed, but what changes there are seem to be for the better. There is little insistence now by military groups that they can find no other barracks and must borrow the mission schools for a few days till they can move on, or get their permanent quarters. As a matter of fact, the Central Government have made it clear that they are determined to respect their obligations to the nationals of treaty countries, missionaries or others, dwelling inland, and so we now have a Nanking proclamation, from the Ministry of War, on the front gate.

Furthermore, General Han, again confirmed by the Central Government as Provincial Chairman, has given orders to the military that Nanking's orders in this matter must be carried out. This does not prevent local drill sergeants from marching their men to the mission gates, and demanding, rather than entreating the privilege of drilling in the mission compound, as "it is nearer than the Yen Wu Ting, and much cooler than other places."

General Han has sanctioned the carrying out of reforms in the Provincial Government administrative body. Formerly, when Marshal Feng was in command it was an executive of but seven men, including the chairman, the heads of the several bureaux, the High Court Judge, and the Chairman. Now the governing group consists of thirteen men, namely, the heads of the bureaux, with co-opted men suggested by the province and confirmed by Nanking. There will be five military men on this governing body, so we are still in the military stage of development.

Heavy Taxation

Unfortunately, there is still the perennial problem of finance. It must be remembered that the country has been taxed till the 21st Year of the Republic (1932) and that in some districts a second demand for 1929 taxes was made, under the palliative phrase of "a loan." So the Government dare not at the present time make another appeal to the farmers. There is a new Commissioner of Finance, just arrived from Nanking, and he is supposed to bring some relief with him. The Provincial Chamber of Commerce has been asked for a loan to pay the current month's salaries.

The country could not bear another appeal for taxes, especially in the north and west. In other parts of the province, the conditions for the autumn crop are fairly favourable, but in the two districts that have suffered so much for the last three harvest periods there are the gravest fears, that the autumn again will see no harvest, for the rains have not fallen. If within the next few days there are rains, there is just a chance for the people of those districts.

Improved Railway Service

Rail connections with the west of the Province have again been established by the repair of the bridge at Heshikuan. For the past two months, very poor trains have been carrying passengers to that point in goods trucks, and there they have been transhipped in somewhat better trains to Loyang. Since Thursday of last week, trains have been going from here through to Loyang, but not beyond.

The Society for Colonizing Honan Refugees in Manchuria expects a speeding-up programme immediately. This society has already sent nearly twenty thousand of the poor from the districts between Loyang and Tungkuang to the Three Eastern Provinces. It has had from the railways the great concession of free transportation, and has been able to colonize in any part of Manchuria, by co-operation with the Manchurian

TUNES, APPROPRIATE AND OTHERWISE

Chinese Vocal and Instrumental Music Jars Hankow

FROM OUR OWN CORRESPONDENT

Hankow, July 27.

For the last few evenings, the residents in S.A.D. 3 here have been favoured with music sung by troops out for exercise. Hankow first became acquainted with this style of musical drill at the time of the Revolution, when residents used to gather to hear the Russian troops sing outside their quarters. That was community singing of the highest type. The contrast between that and the wretched noises made by the Chinese troops is painful. Apparently there are no words to the Chinese songs, but the tonic-sol-fa notes take their place, and when each man chooses his own pitch for "do" and sings as loud as he can, the result is appalling.

The choice of tunes by the military bands is also quite interesting. When Gen. Chiang Kai-shek landed here, one of the military bands played "God be with you till we meet again" most vigorously, and followed this up with "Lead, kindly light" as the General advanced along the gangway to the Bund. There the more martial strains of "See the conquering hero comes" were heard. It is quite common to hear a band heading a funeral procession puffing out "Should add acquaintance be forgot?" while at a recent funeral "Massa in de cold, cold ground" was heard.

Greeting the Bishop

Appropos of this subject, there are two other stories for which the writer will not vouch, but which are certainly delightful. The one is that a Bishop was about to be consecrated and a band wished to have some share in the proceedings. It was deemed wise to exclude it from the pro-cathedral, but, as the clergy had to robe in a residence a little way from the church building, the band was asked to play a march as the procession crossed the compound. Their selection was "Two lovely black eyes!"

The other somewhat apocryphal yarn is to the effect that an official died, leaving behind his four wives and a few other ladies. The piece selected for playing at the funeral was "The girl I left behind me." The explanation of these strange incidents seems to be found in the English words in the titles or in the song, for in a somewhat large Chinese Church the organist played as the voluntary during the taking of the collection:—

"That's the way the money goes! Pop goes the weasel!"

THE Waichiaopu have been requested by Chinese silk merchants to lodge a protest with the French Government against the action of the French authorities in Haiphong in increasing the import duties on Chinese silk products, such increases having come into force on July 16. It is said by the Chinese papers that the present duties are nine times as heavy as before.

Government, at an average cost of but \$4 each refugee. If there is to be another crop failure this autumn, the fears of a necessary continuance of the work will most assuredly be realized. At present the society is appealing to the Honan International Famine Relief Association, through the Commission in Peking, for funds to carry on the work.

In this connection, Mr. Grover Clark, of the "Peking Leader," and a very interested and active member of the Famine Relief Commission in Peking, has been in the city for the past week.

Last week, there was a terrible railway accident in the eastern environs of this city. A refugee train was leaving the station going east, and was half over a switch junction, when an incoming train from the east dashed into and through it, cutting to pieces one car, and immediately killing thirteen persons. More than twice that number of wounded were taken to hospitals, and a number have since died.

COMMUNIST SCARE IN NANCHANG

Gen. Chu Teh Emulating Robin Hood

FROM OUR OWN CORRESPONDENT

Nanchang, July 23.

Owing to the activities of Communists, this city has been placed under semi-martial law. It is said that over one thousand Communists have arrived from Fuchow and that they are to start trouble. Detachments of armed soldiers are constantly parading the city streets and all officials have bodyguards with loaded Mauser pistols when they appear on the streets.

Some time ago, a detachment of troops was sent from here to Fuchow to suppress the Communists and bandits, but they turned over and joined with the bandits and other troops were sent a few days ago to suppress them. The air is full of rumours, but few facts are at present conspicuous. A traveller from Nanchang arrived here yesterday with the information that the famous bandit-Communist, Gen. Chu Teh, is very strong and that many soldiers are deserting and joining him. Business with the surrounding country is at a standstill, but the common people are very fond of Gen. Chu Teh, on account of his kindness to the working class. It is the upper class only who suffer through him.

Civic Improvements

The work of demolishing the shops on Nanchang's Nanking Road, Si Ma Tse, has commenced. The new road is to be 40 ft. wide and finished with a macadam surface. Many shops will lose their entire property, but there is no doubt a vast improvement will result by the widening of this road. The new electric light plant is going up rapidly, the concrete foundations being all in and the buildings well up. The machinery has not yet arrived, but it is expected soon. The public park is going along nicely and will soon be ready to receive the public. The park is rather small, but has many places of comfort and large trees, and is bounded on three sides by two lakes. It is a great improvement over gutter play-grounds.

The three large tombs and a 100 ft. high monument are nearly completed and will be a welcome recreation ground for those who are able to go there. The place is being developed as a large recreation ground and is served by a branch of the Nanchang-Changshu motor road.

The Y.M.C.A. Summer School is functioning with a large class; the principal subject is English. The Tsi Ma Tse Methodist School also has a Summer School with good classes.

CASE OF "CENTRAL CHINA POST"

Warning from Government Not to Oppose Kuomintang

FROM OUR OWN CORRESPONDENT

Hankow, July 24.

The local Commissioner for Foreign Affairs reports that he has received a message from the Central Government, saying that his report on the contents of the "Central China Post" has been considered. The Government does not deem it necessary to do anything in the matter beyond warning the editor not to oppose the Kuomintang or to publish rumours.

BELVEDERE HOTEL

Grenville Place, South Kensington LONDON

Set in a quiet street in this high class neighbourhood the hotel offers residence in homely comfortable surroundings. Conducted by the resident proprietors Mr. and Mrs. Smale, each guest can rely upon personal attention to their particular needs. There is constant hot water and gas fire with ring in every bedroom. Ample bath-rooms, cuisine has never yet caused a complaint. Kensington Gardens, Museums, best shopping centres are all within easy walking distance. Perfect quiet and rest day and night. Inclusive Terms from £3.10 per week. Tariff from THE HERALD Office.

THE TOO ACTIVE OPIUM DETECTIVE

Outdoor Customs Staff Man at Kiukiang Who Earned the Enmity of the Smugglers for Finding Too Much Opium

FROM OUR OWN CORRESPONDENT

In sending this report our correspondent points out that although it is a "three-weeks old story" he carefully waited to write until he could be sure of his facts.

Kiukiang, July 28.

For some months past very considerable seizures of opium have been made at Kiukiang off steamers passing through the port. The most enterprising opium detective has been a gentleman named Andersen, a member of the Customs outdoor staff. In the past few months Andersen has received well over Tls. 1,000 seizure money on opium and as seizure money represents about 10 per cent. of the value of the opium seized it is evident that the value of the quantities discovered runs into hundreds of thousands of taels.

It was not to be supposed that those interested in the shipping of the opium would view such large losses with equanimity. Andersen had been warned several times that excessive zeal might lead to personal discomfort, but the warnings passed unheeded and the seizures of opium continued. Andersen is a Russian subject without extra-territorial rights.

Threatened With Shooting

On the 5th July the British steamer "Kungwo," bound downriver, called at Kiukiang to discharge cargo. She was searched for contraband in the ordinary way and Andersen and his Chinese tidewaterers found on board a large quantity of opium, about 1,000 catties in weight. They were about to seize this opium, when certain Chinese gentlemen, who were lounging round, intimated that any one who so much as touched the opium would be shot.

It is a matter of common knowledge that the "military" are interested in the opium trade, that the smuggling down river from Szechuan is continuous and that the opium is generally accompanied by special guards, who do not hesitate to shoot when necessary. Faced with this threat, Andersen decided that discretion was the better part of valour and, leaving the Chinese tidewaterers on the scene, went and reported to the Commissioner of Customs. The Commissioner naturally did not wish to have his staff shot and so advised Andersen to leave the opium alone. On returning to the ship, Andersen found it had been invaded by a posse of Chinese police, who had seized the opium, arrested the boatswain of the steamer and also the Chinese tidewaterers. The gentlemen with automatics had apparently discreetly vanished. The police asked Andersen to go with them to the police station and he, supposing they required him to give evidence, agreed. However, when he arrived at the police station he found he was under arrest himself and he was soon locked up in a cell.

Charged With Bribery

Those arrested were Mr. Andersen and seven Chinese tidewaterers, held on a charge of receiving bribes, and the boatswain of the "Kungwo," who was accused of smuggling the opium.

On July 6 the accused were brought before a military court, presided over by Judge Chao, an officer of the Kiukiang Defence Commissioner's Yamen. The proceedings were duly reported in the local Chinese newspaper. According to this newspaper the accused—

"All admitted that they accepted a bribe and said that they released the opium in accordance with the instruction of the Commissioner of Customs."

This report is not true as Andersen has not signed any admission that he received a bribe. It moreover contains a contradiction, as it is made to appear on the one hand that the accused accepted a bribe not to report the discovery of the opium while, on the other hand, it is admitted that they reported the discovery to the Commissioner of Customs.

On July 9 a further investigation or trial, it is impossible to discover which, was held at the Chamber of Commerce before the same milit-

ary judge, Chao. Five of the accused were released on bail, while bail was refused to Andersen, the boatswain and the chief Chinese tidewaterer.

Commissioner's Anti-Foreign Speech

At this trial the Director of the Kiukiang S.A.D., Mr. Chein, concurrently Commissioner of Foreign Affairs, made a violently anti-foreign speech, though what standing he had in the Court or what he has to do with the administration of justice it has been difficult to discover. The gist of the speech was that the sole reason the British and Japanese ran steamers on the Yangtze was for the purpose of smuggling opium. The only foreigner present was the Commissioner of Customs, a Japanese subject, and when he rose to say a few words for Mr. Andersen, he was howled down by Mr. Chein, who thereupon gave instructions that the case was closed and ordered all to leave the room. Mr. Chein's exhibition has not enhanced his reputation in the eyes of the foreign residents of Kiukiang and the sooner a new Director is appointed for the Kiukiang S.A.D., where nearly all the foreigners live, the better chance will there be of a continuation of friendly intercourse between the foreigners and the Chinese officials. After this curious trial, the accused were again removed to their cells and locked up.

A Doubtful Witness

The only witness for the prosecution at this trial was the Chinese boatswain of the "Kungwo," himself under arrest as the chief smuggler of the discovered opium. According to the account in the Chinese newspapers his evidence was as follows:—

"Andersen and Bau Fu Sun (the Chinese tidewaterer) asked me to pay them \$4,000, on payment of which they would release me. I only agreed to pay \$3,000 and paid immediately \$1,000, the remaining \$2,000 to be paid on the next trip of the Kungwo from Shanghai."

The Customs officials have made several attempts to get Andersen out on bail but on each occasion have been met with a flat refusal. The boatswain on the other hand, who presumably as the actual alleged smuggler of the opium is the most important prisoner, was offered release providing the foreign agent for Messrs. Jardine & Matheson, owners of the "Kungwo," went bail for him. This the agent very wisely refused to do, as what was to prevent the boatswain disappearing and so giving the Chinese officials the opportunity to accuse the foreigners of sheltering the opium business.

Mr. Andersen in Prison

Mr. Andersen was locked up on July 5 in a police cell in the police quarters of the Kiukiang S.A.D. These quarters it will be recollected were erected by the British when the place was a Concession and so the cells, though small, were adequate for the purpose. Since they were erected, however, the cells have been very thoroughly looted by the soldiers of the Republic of China and so they are devoid of furniture. The problem for Mr. Andersen was solved by providing him with a broken door and two trestles in lieu of a bed. For twenty four hours he was left locked up and without food. He was not even allowed to go out to attend to the purposes of nature. On the next day, however, he was permitted to make his own arrangements for food and then he was allowed to go out to the lavatory, but each time he did so he had to pay a bribe to his guard.

Local Chinese opinion has been somewhat disturbed at the treatment meted out to Mr. Andersen, as it was realized that such treatment would not do the fair name of China any good. The affair, therefore, was referred to Nanking by the Superintendent of Customs

(a Chinese official) and in due course instructions were received to have the case transferred from the military court to the civil court. At the time of writing all three accused still await trial, but Andersen has been moved from his cell to the gaol in the Chinese city. Here he occupies the gaoler's own room and is more comfortable. He shares the room with the two other accused and they make their own arrangements for food. We wonder how the witness for the prosecution enjoys being locked up with the witnesses for the defence!

The Lawyer's Opportunity

Mr. Andersen has been trying to make arrangements for a local Chinese lawyer to defend him, as naturally he himself is not acquainted with Chinese law. Local Chinese lawyers, it seems, have a high idea of the value of their services. They believe in making hay while the sun shines. The first arrangement made by Andersen was through the Chinese tidewaterer, who is also under arrest. The best arrangement the tide waiter could make was to secure the services of a man to defend them both at an inclusive fee of \$1,000. This was the cheapest lawyer available.

Meanwhile, Mrs. Andersen had not been able to see her husband and so with the assistance of the Commissioner of Customs she, on her side, also arranged for a lawyer to defend her husband. The man approached happened to be the same one already engaged by Andersen. He did not mention this to Mrs. Andersen. Oh, no, he saw his opportunity and now Andersen's defence alone will cost him \$1,200, while the fee for the tidewaterer, the amount of which I have been unable to discover, will be separate. It would appear that as soon as extra-territorial rights are abolished Chinese lawyers are going to find themselves in clover!

On the 19th, after 14 days close imprisonment, an order was issued allowing visitors twice a week to see Mr. Andersen in prison and it is directly from Andersen himself that the account of conditions in prison have been obtained.

The Real Criminals Go Free

Your correspondent has made numerous inquiries in many directions to find out what efforts the local Chinese officials were making to apprehend the real criminals, the original shippers of the opium. The result of the investigation is quite simple. No attempts of any sort appear to have been made to find out who owned the opium, where it came from and where it was going. The gunmen on the "Kungwo" have been allowed to escape untouched. The opium is said to have been on its way to Nanking, but that is only the common report and must not be accepted as an established fact. The whole effort of the Chinese officials appears to have been concentrated on the unfortunate Andersen and naturally we are left wondering why?

JAPANESE GUNBOAT SAVES CHINESE

Drowning Men Rescued: Ignored by Their Own People

FROM OUR OWN CORRESPONDENT

Hankow, July 24.

During the high wind yesterday, a small Chinese boat, loaded to the limit of its capacity with melons, attempted to cross from Wuchang to Hankow. One of the launches of the Canton-Hankow Railway Administration was also crossing and the force of the wind and the current carried the boat into the wash of the launch and it was upset. The Chinese loadah of the launch did nothing for the five men who were struggling in the water, and four other Chinese craft contented themselves with saving melons and leaving the men to drown. At this juncture, a Japanese gunboat sent out its motor pinnace and succeeded in rescuing four of the five men.

During the same high wind, one of the wires of a telephone installed at Yuyenkung, above Chiaofoo, snapped. The proprietor wished to telephone and an apprentice of 16 went up a ladder to join the broken wire. He did not notice that it was in contact with a power cable and was killed instantly.

MOKANSHAN SUMMER RESORT

Association's Generally Satisfactory Report

The Mokanshan Summer Resort Association held its annual meeting in the Assembly Hall on July 25. Reports show that Mokanshan is becoming increasingly popular every year, this year practically every habitable house being occupied. Convenient transportation, with the new government motor road to Hangchow open, making the trip possible in less than two hours, has contributed largely to the increased popularity.

The report of the Board of Director follows:—

During the past year, the particular aim of the Board in carrying on the work of the Association has been that of making it the most satisfactory way possible and with the least possible friction the transition from the Mokanshan Summer Resort Association of the past to the reorganized institution which the annual meeting of 1928 voted for the current year. The Board, through its officers, has sought by newspaper articles, a generous use of the annual report, and by every means possible, to make the membership, the general public, and friends and visitors to Mokanshan, everywhere cognizant of the changes which this reorganization put into effect, and thus to prepare for the full enjoyment by all, and upon an equal and equitable basis, of the advantages which the Association has to offer.

Previous to the reorganization of last year, there was a visitors' fee of \$2 which, together with an appropriation from the Association, was put into road work. This fee is not now collected, because the road work has been taken over by the government. Aside from this amount, however, the entire burden of improvement, upkeep and administration of the recreational and educational facilities of the mountain had been paid for by the house-owners of the Association alone. Thus, an assessment of \$25 per house-owner in addition to caretakers' fees and land tax was necessary to provide the facilities which were enjoyed by all summer residents and visitors upon the same terms as those granted to members. When the reorganization took place last year, an arrangement was worked out by which the membership fee was reduced to \$20, plus caretaker's fee of \$8, a total of \$28 per year per member and by which those desiring to use the various facilities of the association were required to pay a non-member's privilege fee of \$15 per family or \$6 per individual per season. In this way the burden of upkeep was distributed among all those who get the benefit. This arrangement has apparently been well understood and generously accepted by the whole Mokanshan community at large.

With regard to the finances of the organization, it will be noted from the statements presented by the treasurer that the fees determined upon last year were not excessive, if, indeed, sufficient for the deeds of the work to be done. Income, with nearly every habitable house occupied, has failed by \$400 to come up to the budget expectations, causing a probable deficit for the year of about \$150. In estimating the budget for the year 1930, the Finance Committee found it necessary to budget a deficit of \$130, which, together with the deficit of the current year, can be paid only from the small surplus on hand from 1927, a year of light expenditure.

Property in Good Order

The repairs of the Association, when temporary and improvements provided for in the estimated budget for 1929 are completed, will be in the best possible condition and only a slight expenditure beyond that for ordinary repairs will be necessary in 1930.

In connection with property one serious problem has presented itself. It is apparent that the present direction of the Administrative Bureau regards all roads on Mokanshan as public roads, whereas many of these roads were opened by the Association upon provisional permits of the owners of the property and in some cases with time limits attached. In some

TO HANGCHOW BY MOTORCYCLE

Trip Successfully Made by Team of Four Machines

A radiogram was received in Shanghai on July 29 by Messrs. Melchers & Co. reporting that a team of motor cyclists—Messrs. R. Audouard, W. Bader, H. Schmidt, H. Vollrath (captain), Miss R. Menzel, Mr. N. Y. Peter Chen (pillion riders), and a Chinese mechanic who left Shanghai on July 26 at 8.30 p.m., had arrived in Hangchow at 11 p.m. on July 28.

The team made a cross country trip to Mokanshan via Minghong, Chapoo, Haiyen, Changan and Hangchow, and, in view of the excessive heat, they drove between sunrise and 11 a.m. and from about 4 p.m. until nightfall, or even later.

WORK AMONG LEPROSERS IN TENGHSIEN

Leprosy in China, which has afflicted more than a million persons, according to a recent statement issued by the officials of the Chinese Mission to Lepers, may or may not be completely eradicated in the years to come but in almost every city of any importance in China efforts are being made to better conditions for those suffering from the disease. One of the most interesting leper colonies in the country is located in the northern town of Tenghsien, according to Dr. T. C. Wu, general secretary of the mission, who recently returned to Shanghai after a trip through the northern provinces.

"Characteristic of all the northern cities, Tenghsien seems to be a city built of mud and dust. There is no stone on the road, no tile on the roofs of houses and no water in the river," Dr. Wu said. To the eyes of the southerner, the whole city looks like a Sahara.

The Tenghsien Lepers Homes are located in a plain surrounded by wheatfields about two miles distant from the railway station. The homes for men, known as Mrs. Sarah Waters Memorial, is entirely separated from the women's which has a building of its own with a big back yard for gardening. There were 66 male lepers and 20 women in the two places.

"The cleanliness of both homes and the cheerfulness of the inmates was most pleasing to note. It was also interesting to note that practically all of the male lepers were the owners of canaries. I was told by Miss Dods, the superintendent, that the lepers saved every cent they could for their tiny allowance in order to raise these pet birds. Some of them were real expert canary breeders.

"Most of the patients in Tenghsien are advanced cases, so there is not much use in trying to cure them. There are quite a few, however, who are still in the first stages of the disease. If proper medical attention is given many of them will undoubtedly respond to the treatment.

"Conditions in these homes are improving rapidly and recently the services of Dr. Yu, graduate of the Medical College of Shantung University, were secured. With a properly trained physician in charge of the treatment of lepers, the history of the Tenghsien Leper Homes has evidently turned over to a new page."

cases, obscure and little used paths across private property have been opened and paved with consultation or consent and to the evident disadvantage of the property owners. The Bureau has caused to be erected some twenty small summer houses, the utility of which will perhaps be questioned less than the disregard of property rights involved, no permission for the use of the property having been either asked for or received.

A number of cases of inequality in taxation have been brought to the attention of the officers of the association, together with numerous protests against the ever-increasing rates imposed. Written statements by members presented within the next week will be taken up with the officials in charge.

DROWNING RESCUE AT TSINGTAO

Swimmer Brought in by Man
of U.S. Submarine

FROM A CORRESPONDENT

Tsingtao, July 29.

In the rescue from drowning and the subsequent resuscitation of Alexis Beloretsky, a number of American officers and men on Saturday afternoon added to the laurels which the American submarine fleet and other vessels have won in Tsingtao harbour this summer.

Beloretsky was swimming and diving from the raft, the water being quite low and the tide coming in. He was not seen for a few moments, and inasmuch as he had no friends with him, nothing was thought of his absence, when several American seamen noticed his head below the surface of the water, one of them remarking, "That fellow must be trying to see how long he can remain under water." When he did not come up after two minutes, they were in after him.

Three U.S. sailors, a moving picture operator, a freeman, and a first-class A.B.—brought him to the surface and started for the shore, 200 yds. distant. It was a long struggle especially as they had to keep his head above water. Finally one of them touched bottom and they picked him up bodily and placed him on the beach. A cursory examination revealed that his head was badly cut, but he had imbibed so much water that first-aid methods had to be used.

As the three rescuers were worn out, one of their comrades in uniform rolled Beloretsky on his stomach and began expelling the water from his lungs and forcing air in its stead. Very shortly Lieut. Dubois hurried to the scene and took charge, assisted by several other officers, while a doctor was sent for. After about 25 minutes of measured movements, and just before the arrival of Dr. Wisner, Beloretsky began to show signs of recovery.

Dr. Wisner took charge at once, immediately prescribed a stimulant, which was injected by Mrs. Pope, wife of Lieut.-Cmdr. Pope, who had had Red Cross training. A few minutes later another injection was given and very soon Beloretsky's breathing became regular. He was removed to hospital and after two hours of intensive treatment, regained consciousness.

ANTI-SOVIET FEVER IN CANTON

People's Leaders Anxious to
Settle Issue by Force

FROM OUR OWN CORRESPONDENT

Canton, July 20.

Chen Ming-chu and Chen Chintang, respectively the civil and military heads in Kuangtung, have both written letters, exhorting the people to stand by the government, for China simply must accept the gown of battle which Russia has thrown at her feet. Every Canton newspaper this morning bears a facsimile of these two notes. Kuomintang leaders are meeting the military and civil leaders this morning, and the principal outcome will be the formation of an Anti-Russian Society. The dissemination of propaganda against Sino-Russian relations will be largely in the hands of this organization, and the advisability of sending young officers from the Kuangtung army to serve under Marshal Chang Hsueh-liang, so that they may gather more practical experience than is possible down here, will be debated.

WEDDING

Carter—Row

The wedding took place at Los Angeles, California, on July 20 of Miss L. Maude Row, daughter of Mr. and Mrs. George Row of Chefoo, to Mr. Andrew B. Carter.

UNPLEASANT AFFAIR IN WUHU

Two Foreigners Held Up by
Soldiers and Robbed

FROM A CORRESPONDENT

Wuhu, July 30.

Whilst going home from office in broad daylight at midday, yesterday Mr. E. C. Robinson, manager of the Asiatic Petroleum Co. (N. China) Ltd., and Miss Blake, lady assistant, were the victims of an outrage at the hands of a band of Chinese soldiers of the 7th Brigade, which might have had more serious consequences than fortunately was the case.

The victims were riding in richshas along the broad high road, the visibility of which extends for over a mile, when they met a party of seven or eight men dressed as soldiers. As the richshas approached the soldiers intentionally barred the way and brought them to a halt. They then jostled the richshas as though protesting that they had run into them. Mr. Robinson was in the foremost richsha and being able to speak the language sized up the situation and decided that to pacify them was the best course.

In the process of conversation one of them made a gesture to remove the gold ring from his finger, but even then the seriousness of the situation was not realized and the gesture was met by a humorous remark. Suddenly Miss Blake called out from the rear-most richsha that another soldier was attempting to snatch her gold wrist watch, and at the same time all the band produced knives.

Mr. Robinson got out of his richsha with the intention of tackling the situation, whereupon the whole band took to flight, but unfortunately were successful in getting away with Miss Blake's watch.

Mr. Robinson then gave chase and after a run of about a mile keeping at the heels of one of the band, ran him in an exhausted state into a policeman on point duty, who apprehended him. Simultaneously he threw away into a pond something from under his clothes, which later was discovered to be a knife.

Officials' Sympathic Efforts

The authorities are now investigating the case in the hope that the rest of the band may be discovered, and the lost property recovered. It is only fair to them to add that they are treating the matter seriously and with sympathy.

The road along which the outrage occurred is one not much frequented at that hour of the day but is so situated that such an occurrence could be seen from a long distance, and it is believed that the soldiers had placed themselves on this road with the intention of waylaying any passers by, and had not particularly in view an outrage against foreigners. It was perhaps unfortunate for them that they encountered foreigners, who display a greater tenacity to see these things to an end than do their own countrymen, which in this instance resulted in the capture of one of their number.

This is the second time that Miss Blake has been the victim of an outrage by Chinese soldiery, for she was one of the party incarcerated in the British Consulate General at Nanking for 24 hours on the occasion of the Nanking outrage in March 1927, and on that occasion although the whole party were closely scrutinised with a view to extracting their valuables she was able to preserve the watch, which unfortunately has now been lost.

Mr. K. G. Wahamaki, the Finnish Consul-General, has asked the National Government for permission to establish a Finnish Consulate in Harbin, where many Finns reside.

Mr. S. K. Chen, director of the Shanghai office of the Waichiaopu is reported by the Chinese papers to have informed the French Consul-General that the Yunnan Provincial Government has been forbidden by the National Government to purchase salt from French Indo-China, so the French authorities should take steps to prevent such salt from being imported to Yunnan.

HANKOW TEACHER BAYONETTED

Incident at Bureau of Education:
Inciting the People

FROM OUR OWN CORRESPONDENT

Hankow, July 27.

There is a great deal of indignation in scholastic circles over an unfortunate incident which occurred at the Bureau of Education in Wuchang. For some reason, the head of the bureau, who seems to have been both able and popular, has been deposed and a new man appointed. The latter naturally wishes to supplant a few of the teachers in the government schools by his own nominees, and the teachers of the Wuchang City Practising School, accompanied by teachers from the third and seventh Primary Schools, therefore went to the bureau to register their protests. The armed guard at the door refused to admit these gentlemen, a scuffle ensued, and the guard's bayonet injured one of the teachers. Hearing the yells which followed, the head of the bureau emerged and at once arranged for the wounded man to be taken to a hospital, but the teachers are anxious for some further solace to their wounded feelings.

Anti-Russian Demonstration

An attempt is being made to work up anti-Soviet feeling here. All the various bodies which participate in such matters have agreed to call a great demonstration against the Soviet and it is stated in the Chinese press that the General Labour Union has telegraphed to Nanking assuring the Government that the 300,000 workmen in the Wuhan cities are opposed to the action of the Soviet and still more to Communism. A proposal has been made that officers should be sent to drill all these

workmen in readiness for a war with Russia.

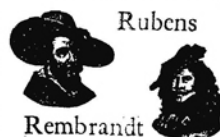
An Armed Robbery

Three armed men in military dress entered the house of a gentleman in the Jen Yi Fung, at Wuchang, late on Thursday evening, gathered up the family ornaments and cash, and then ordered the wife to accompany them as security for a further sum. The family seem to have been too much afraid of what the men might do to their captive to attempt a rescue, but, as the group drew near to the Hanyang Gate, on their way to the river, the woman signalled to a man she recognised. He rushed to the nearest policeman and gave the alarm. One of the captors was arrested, but the other two escaped, leaving the woman free.

MEMBERS of the Diplomatic Corps and the Consular Body have been invited to attend the West Lake Exhibition which is now being held in Hangchow.

THE members of the European Y.M.C.A., Hongkong, met last week for the purpose of saying good-bye to Mr. P. Sands, M.A., assistant secretary, who left by the Suwa Maru for England. In the absence of the President, the Hon. Sir Henry Pollock, K.C., a presentation to Mr. Sands was made by Mr. W. L. Pattenden, Vice-President of the Association which took the form of a silver junk, travelling clock, and a despatch case. Mr. Pattenden said Mr. Sands had taken a prominent part in all the Association's activities. He had great personal influence and capacity for friendship and the members were losing a real friend. He had also largely interested himself in the religious life of the Colony, more especially at St. Andrew's, but he had always been ready to help elsewhere. He sincerely hoped that in years to come Mr. Sands would return to work in Hongkong.

TWO LONDON HOTELS



These Hotels are situated in the most desirable positions, easy of access from all parts of London. Under one management and highly recommended, they offer the maximum of luxurious refinement combined with the latest hotel improvements at very reasonable rates. Bedrooms with Private Bathrooms. All rooms are heated and have hot and cold running water, etc.

HOTEL RUBENS, Buckingham Palace Road, facing Buckingham Palace.

HOTEL REMBRANDT, South Kensington, facing the Victoria and Albert Museum.

Tarif on Application to Manager.

MARTIN'S PILLS

There is no better pill than MARTIN'S. You can rely upon MARTIN'S PILLS.

Sold by A. S. Watson & Sons, Chemists, and all Grocers and Stores.

THE STANDARD OF EXCELLENCE THROUGHOUT THE EAST

W.C. PAINT

Varnishes, Enamels, etc.

Largest Stock kept in China

Wilkinson, Heywood & Clark

SHANGHAI—HONGKONG



are renowned all the world over for beauty of tone, charm, and exquisite delicacy of touch. Every living pianist of international fame refers to them in superlatives of admiration.

ROBINSON PIANO CO., LTD.

(Incorporated in Hongkong)
103 Nanking Road, Shanghai

SHANGHAI NEWS

THE LOCAL WAR ON COMMUNISM

**Startling Revelations as Result of Work in French Concession:
Three Hundred Arrests: Much Literature Seized:
Extensive Organization Discovered**

In a three-day drive French police arrested over 300 suspected communists and agitators, 55 of whom have been detained, and believe they have broken up the communist organization in their district. Important revelations bearing on the Communist party in the whole of Shanghai have been made.

Over 1,000 kilograms of pamphlets and posters, with a quantity of pistol and rifle ammunition were seized in a raid and the Central Propaganda Bureau of the Communists in that district has been sealed. Detectives searching the letters received at this Bureau since their raid believe that, by their arrests, they have completely upset the plans in their area. The letters ask where the agitators can obtain arms, ammunition, and pamphlets, now that the police have seized the central supply.

Original Plan Laid Bare

The original plans called for an assembly of communists on August 1 at the end of the French Bund whence they were to go in groups to Nanking Road, which all documents reveal to be the objective of the demonstrators. Bundles of pamphlets were ready wrapped in fruit baskets, cloth, and tied up in small packages resembling packages of coppers, which the agitators were to have carried with them through the streets. Many packages of literature were seized ready wrapped up for the parcel post, with addresses on them.

The literature was of a violent communist nature, calling for an anti-foreign uprising and the overthrow of landed proprietors. The Kuomintang government was heavily attacked for having, according to the pamphlets, betrayed the Chinese revolution to the imperialists, and having taken the Chinese Eastern Railway from Russia. The Powers are accused of planning another world war against Russia, one of their objects being the partition of China.

Pictures of the Tsang Shao-liang incident and others depicting British soldiers killing Chinese and standing guard over their skulls and bones were to have been distributed. The people were to be excited into attacking foreigners. The propaganda aimed also at peasants in country districts. They were told to seize their land from the landlords, who extorted the fruits of their labour from them.

A Complete Organization

The Communist organization in Shanghai is so complete that it excites the admiration even of the men who are fighting to overcome it. According to French detectives, the whole of the Shanghai area is divided into six districts, each presided over by a committee of ten men, one of whom is the leader. Only this leader knows the organization and he is not told the whole of the party's secrets. He knows the leaders of the other five sections only by their aliases, and he does not know their headquarters. The only man to whom the whole organization appears to be known is the master mind over them all. And his subordinates do not even know him by his real name, since he appears to have any number of aliases.

The headquarters of the party in Shanghai are believed to be in Chapei, though this is by no means certain. The six districts have also not been traced, though the South-eastern District, the one which has been broken up, is now known. This takes in the French Concession, the native city, and part of Naptso. The other districts comprise the rest of Shanghai.

The raid made by the police on the Central Propaganda Bureau resulted in the arrest of several persons, one of whom the police believe to be the leader of the south-eastern section. The complete secrecy observed inside the party itself makes it extremely difficult

for the police to obtain information from this man as to the identity and hiding places of the other leaders.

COMMUNIST LEADER
INTERVIEWEDOur Representative's Singular
Encounter

Arrested as one of many little fishes caught in the French police's dragnet, Lieu Kyung-heng was "betrayed by a friend" and identified as the chief of the Southeastern District of the Shanghai Section of the Kiangsu Communist Party. Lieu's arrest followed two lightning raids by French detectives when eight arrests were made. One of the captured communists proved to be a "squealer" and from him the detectives learned of the Central Propaganda Bureau. They raided it and among their captures found Lieu, who was identified by the "squealer" as the chief.

To a "North-China Daily News" representative Lieu denied it. He said he had only been a member of the Communist Party for one year and was not even a full fledged member. But police state that, when confronted with his identifier, he admitted his leadership; and since then, under close questioning, revealed details of the local communist organization which proved that the opponents of law and order possessed a highly finished and powerful weapon directed against the Kuomintang, capitalists, foreign "imperialists," and landlords.

By courtesy of Captain Fiori, chief of the French Police, our representative interviewed Lieu in the central offices of the force in Rue Stanislas Chevalier. Lieu is a young man, barely in his twenties, and there appeared nothing about him to indicate the master mind.

Communist Propaganda

His arrival in the office of the Chief of the Political Bureau of the French Police escaped our attention since at the same moment a fresh haul of communist literature, with a couple of new captives diverted the attention. Once these men and their literature were removed, Lieu stood revealed, standing in the doorway, his back to one of the beams, his legs crossed, and his demeanour nervous and shrinking.

The office was a picture of disorder. All over the floor were littered and piled thousands of communist pamphlets and posters. The Chief's desk, too, was practically covered by similar booklets, while along the book-cases behind it were more leaflets, done up in every form of disguise, and some significant cardboard boxes of pistol ammunition and cloth parcels of rifle bullets. Three detectives were pouring over these documents, and Lieu stood in the doorway looking over his handiwork.

He speaks very good English. Under medium height and of a thin, narrow chested build, his appearance did not indicate the leader. He was clad in a white jacket and trousers, embroidered over with a pale blue pattern. His movements were convulsive, his hands constantly clutching at the door-beam, moving upwards to steady his wobbling Adam's apple every now and again.

He told the "North-China Daily News" reporter that he had been "deceived by a friend." He had been betrayed, he said. He knew nothing about the pamphlets and the ammunition. "I have made a very great mistake," he said, and continued: "I realize my mistake, and will never do it again."

He told our representative that he was a native of Hunan, from a town to the west of Changteh. His thick Hunanese accent prevented our getting the name correctly. He had been educated as a boy in a school belonging to the Reformed

Church Mission, he said, and rather more than a year ago had come to Shanghai to attend a local university.

Merely Doctrinaire

In the course of his studies he had become interested in political science, especially in the works of Karl Marx, and admitted that he had become a convert to Communism and had joined the party about a year ago. Since that time, he said, he had worked for the party, but denied that he had any intentions to kill people or to establish Communism in China by force.

"Where did you get the money from to buy all these pamphlets?" we asked. He denied that the pamphlets had anything to do with him. He had been "betrayed by a friend," he said, and the literature belonged to the friend. He was very sorry. For the rest of the interview this "betrayed by a friend" became a regular refrain, and Lieu affirmed constantly that he would never do it again. He probably will not, as he may be handed over to the Chinese authorities who, it is understood, have been looking for him for some time.

He described the method of joining the communist party. It was necessary first to get an introduction from a member, he said. The member then vouched for one and during the first year undertook to instruct one in the primary principles. After a year's instruction, one might become a full fledged member, though not admitted to the meeting of the committee. He himself had not completed a year's probation, he told us, and again denied that he was a leader.

Only a Mere Typo?

The leaders of the party in Shanghai were not known to anyone like himself, he declared. He did not know where the headquarters of any of the other districts were, nor who were the leaders in them. While in Hunan he had not been a communist as he had seen many of them killed and tortured. It was only when he came to Shanghai that he was converted to the creed. This he repeated over and over again.

We were still in conversation with him when another batch of arrested persons was brought in. One of them seemed to recognise Lieu, as he stopped short suddenly in the doorway. A push from a detective moved him on, and a Chinese plain-clothes constable who had been waiting in the passage discreetly out of ear-shot during our interview came up and placed his hand on Lieu's shoulder.

So we bade Lieu goodbye.

DEMONSTRATION BY
COMMUNISTSThwarted by Police: Constable
Attacked

The threat of the local communists that there would be a demonstration on July 26 was made good, and as the result one of the agitators was shot and lies in a serious condition in St. Luke's Hospital following his attack with a heavy iron bar on a Japanese policeman who was felled and was forced to draw his pistol to protect his life. The Japanese is in Hakusai Hospital with a seriously injured neck and several contusions as the outcome of the encounter, but it was believed at a late hour last night that he would ultimately pull through.

The affair took place shortly after 6.30 p.m. when some 400 Chinese riding in motor cars and on foot suddenly descended on North Soochow Road near the Garden Bridge intending to hold a meeting in front of the former Soviet Consulate on Whangpoo Road.

On arriving there they found several policemen drawn up and before they could reach their objective the police attempted to break them up with indifferent success. The mob realized its chances and while many of their number held off the police, others distributed handbills and set off firecrackers which attracted hundreds of curious until the small handful of police were completely lost in the shouting mob of Chinese.

Japanese Policeman Attacked

The police valiantly stood their ground and prevented the agitators from reaching the former consulate and meanwhile telephones were busy from the Astor House warning

police headquarters of what was going on.

It was in this first handful of police that the Japanese policeman was concerned and eyewitnesses say that he was separated from the others and was attacked from all sides at once. The mob quickly realized he was a Japanese and the violence directed at him was fiercer than against his companions.

The Chinese, who was shot, was armed with a heavy iron bar which he used with devastating effect, striking the policeman heavily across the back and again bringing the bar down across his shoulders in a wild blow which caused the policeman to cry out and fall to the ground. He did not lose consciousness, but drew his pistol and warned the crowd away from him. He was kicked from the rear and in the confusion that followed when the mob doubled their attack on their fallen quarry, he fired and the Chinese armed with the bar fell beside him.

The shot had instantaneous effect on the others and they gradually fell back until the wounded men could be rescued by the police and several civilians who took a brave hand in the affair.

Meanwhile the telephone calls resulted in bringing a squad of police from Hongkew Station and shortly after Red Maria, bearing the Reserve unit under Supt. Fairbairn, arrived and the demonstration was doomed to a quick end.

The police were well organized and had little trouble in dispersing the mob. They fled in every direction and eleven of the ringleaders were arrested.

The affair was over quickly once the police set to work, but a guard was left in the vicinity.

"RED THURSDAY" A VERY
GENTLE PINKOnly Minor Demonstrations:
Excellent Precautions

The great communist demonstrations to mark the International Red Day in Shanghai, for which enemies of law and order had been planning for weeks, resulted on August 1 in two small frays in different parts of the Settlement and the arrest of 21 agitators of the student class. Police precautions in the Settlement, the French Concession, and Chinese territory prevented any large crowds forming. Chinese Merchant Volunteers reinforced the police in Chapei and troops patrolled the roads of the French Concession throughout the day. In the Hongkew district Japanese patrols also assisted in preserving the peace.

The two outbreaks occurred in Foochow Road at 11.20 a.m. and at the corner of Tiendong Road and North Szechuen Road just before 1 p.m. During the former, police from Central Station arrested four men, Louza police later arresting another in their district, while during the latter 16 were taken into custody.

Regular and special police were on duty all day in the various stations while patrols were strengthened at all important corners so that, on the first signs of crowds collecting, word could be sent to the nearest station for more men. The Reserve Unit stood by in the Drill Hall in the Municipal building at Foochow Road, and detachments of reserves were also posted in Hongkew, Louza, and the mill district stations.

The first demonstration presented a strange spectacle. The agitators, most of whom were mere boys dressed in long gowns over semi-foreign clothes, kept to the pavements on either side of the road, most of them in the shade in the Commercial Press. They shouted slogans and shook their fists in the direction of the police, but it was noticeable that most of them took good care to be behind the others when they shook their fists or shouted something particularly vile.

Chapei Kept Perfectly Quiet

Everything was quiet in Chapei, Nantao and the Chinese City and there was no semblance of a disturbance. This was due to the special precautions which had been adopted by the Shanghai & Woosung Gendarmerie Commissioner and the Commissioner of Public Safety for Greater Shanghai, both of whom ordered "indirect" martial

SALE OF ELECTRICITY
DEPARTMENT

**Discussions Ended: Immediate
Payment of Tls. 36,000,000**

After several weeks of very close discussion the agreement for the sale of the Electricity Department to the American and Foreign Power Company has been concluded. The fact that the agreement has not actually been signed is because the documents in question, which are of course, very lengthy, have to be engrossed. This work will probably be concluded in another five or six days, when the agreement will be signed.

The Municipal Council had entrusted the negotiation to a small committee, consisting of Mr. G. W. Sheppard, Mr. P. W. Massey, and Mr. A. W. Burkill, who were given full powers in the matter. The American & Foreign Power Co. with whom are associated the British Syndicate, consisting of Mr. F. Dudley Docker, Sir Harry Cassie-Holten, Lazard Brothers, Whitehall Electric Investments Ltd., and the Whitehall Trust Ltd., were represented by Mr. Samuel W. Murphy. The agreement concluded is practically identical in terms with that published in a special number of the Municipal Gazette on March 28 last, but the Council's Committee have introduced one or two additional safeguards of the community's interest. Naturally, the agreement has been put in the requisite legal form and language.

At a meeting of the Council, on July 31, the Committee were to report that all discussions had been satisfactorily concluded and that the sale agreement would be ready for signature in a few days.

In order to run the department henceforward the American & Foreign Power Co. are forming a subsidiary company, which will be known as the Shanghai Power Company. Of the sum of Tls. 81,000,000 the total purchase price, the immediate sum of Tls. 36,000,000 is being put to the credit of the Municipal Council in the National City Bank of New York, to be drawn upon as required. For the balance of the money, the Council takes a mortgage over the entire assets of the Shanghai Power Company. Naturally this money will not be required for some little time, as there is no necessity to pay off all the municipal debentures at once. We understand, however, that payment of the whole purchase of the Department is to be completed within three or four years.

It is further understood that the Municipal Council will appoint a special trustee for the debenture holders.

A SUMMER diseases hospital has been established by a number of wealthy merchants of Pootung and last week 1,300 cases were treated, including 332 cases of real cholera.

THE Mayor of Greater Shanghai is reported by the vernacular papers to have ordered the Bureaux of Lands and Health to lay out two large cemeteries for the Special Municipality.

ACCORDING to the "Sinwanpao," Sun Hsiang-yuan, the son of a wealthy Chinese farmer who is the owner of more than 1,000 mow of first-class rice fields in the southwestern district of Shanghai-hsien, who was kidnapped from his home on the night of May 23 and for whose release the kidnappers demanded \$120,000 as ransom, was killed by the gang a couple of days ago because his family failed to comply with the kidnappers' demands. The "Sinwanpao" says that, after killing their victim, the kidnappers put the body of the deceased in a chest and placed it in front of the door of the farmer's house. The farmer, upon seeing his son's dead body, fainted and is now lying in a critical condition at his home.

law and detailed extra men on patrol duty. Machine-guns were placed in position in many of the thoroughfares.

Along the Shanghai-Nanking and Shanghai-Hangchow-Ningpo Railways, likewise, there was no trouble for, in addition to the railway guards, two battalions of troops from the Fifth Division being posted in the Shanghai zone and other troops in the other zones.

WATERWORKS STRIKE SPREADS

Employees in Kiaochow Road Cease Duty

Armed guards were posted by the navy on July 26 near the waterboats of the Shanghai Waterworks Co. at the request of the management to prevent the men on the boats being intimidated into joining the strike of hands at the Yangtszepoo pumping station and filter beds, following a threat of a spread of the strike from Yangtszepoo to the company's other centres. It was considered essential that the water service for ships entering and leaving Shanghai should be preserved as far as possible, and as the men on the boats did not seem willing to join the strike of their own accord, every effort was made to give them protection from agitators and others who might try to get at them.

A number of employees on the day shift at the Shanghai Waterworks Yangtszepoo station attempted to go to work as usual, but were prevented by pickets of strikers and representatives of the General Labour Union.

The strike spread on July 27 to the Kiaochow Road distributing station, Chinese workers there failing to report at the usual hour. The work was carried on by members of the company's foreign staff, and a guard of British soldiers was posted to prevent possible sabotage.

Manifesto by Strikers

Following a meeting, the strikers issued a manifesto to the general public explaining their position and accusing the company of "oppression" and espionage through Russian employees who are alleged to have ill-treated the Chinese. A translation of the manifesto follows:—

"Although we have presented our lowest demands, which have been sanctioned by the Bureau of Social Affairs, the management has not only made no improvement in our working conditions, but is now oppressing us still more.

"The management has further demanded the abolition of our labour union, taken away its signboard, and dismissed several members of the executive committee of the union. These actions have aroused our indignation. Nevertheless, we pacified our fellow workers on one side, and on the other humbly requested the management to grant our demands, considering that the water supply greatly concerns all residents of Shanghai.

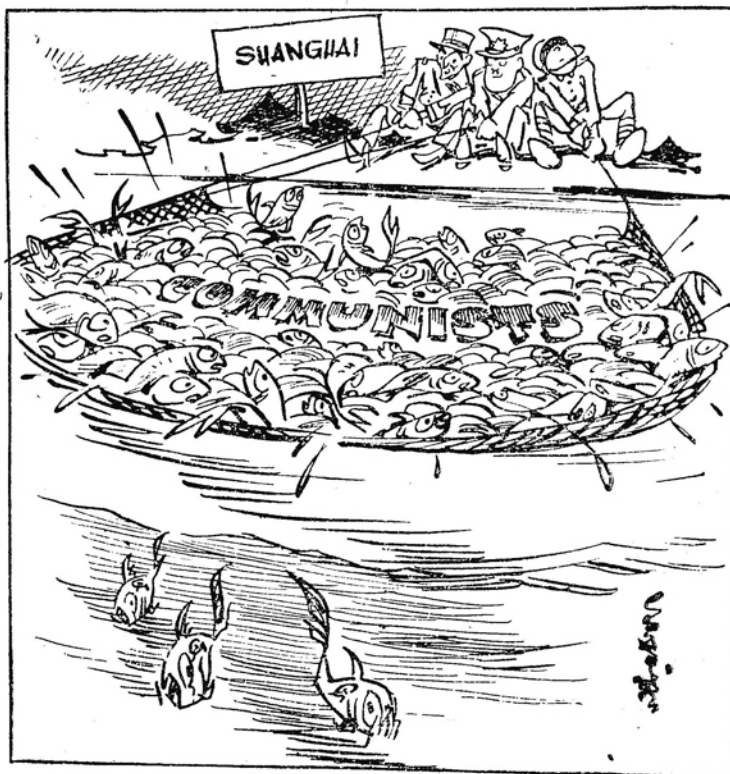
"However, the management has visions of cheating and insulting us. It procrastinated, replenished all the necessary provisions and material and has engaged some 30 Russians for the purpose of watching us.

"When these Russians found any error on our part, even a slight error, they beat and reviled us in a threatening manner. We are, therefore, forced to declare a strike. This was done at the third general meeting. As we are now on strike we earnestly solicit the support and understanding of the whole population of Greater Shanghai.

"Our brethren, did not our Kuomintang leader say 'China can only get rid of the foreign yoke and restore liberty to the Chinese by abrogation of unequal treaties?' The company has the power to limit the water supply of the city and thus place the lives of the community under restraint. Now we must make further demands that the company voluntarily accept the Chinese tariff and dismiss the newly-engaged Russians.

"Unless we are successful no worker should resume in contravention of the words of the Kuomintang leader and in disregard of the fetters of the employees. Violation of this manifesto means that the violator is a reactionary. This union herewith requests the moral and financial support of the public."

PIRATES are reported by the Chinese papers to be as active as ever on the Yang Tseng Lake, between Quinsan and Changshu and, during the past week, two vessels have been robbed. Though the losses on both occasions involved large sums, no lives were lost nor were any persons taken captive by the pirates.



GATHERING IN THE NET.

REFORM OF CHINA MERCHANTS NEEDED

Interesting Views Expressed by Mr. T. K. King: Chinese Government Acting to Protect Shareholders

Nanking, July 29.

With a view to achieving a thorough reform of the China Merchants' Steamship Navigation Co., the Ministries of Communications and Industry, Commerce and Labour have, after holding a joint conference, reached the following conclusion:—

(1) That so long as corrupt practices have not been clearly done away with it is impossible to introduce any reform.

(2) That so long as the present method of employment is permitted to exist the company will continue to suffer heavily in finance and the service secured will fall into insignificance in comparison with the money paid out.

(3) That on account of carelessness on the part of the employees no remedial measure can be effectively carried out.

With the above points the said Ministries have sent in a petition to the Central Government suggesting that the Administration office be abolished, a new set of regulations should be formulated and efficient men should be appointed to take over the management.—Kuo Wen.

Apropos of the Kuo Wen message on the reform of the China Merchants S. N. Co., the "North-China Daily News" interviewed Mr. T. K. King, manager of the Marine Department of the company on his views of the reason for the company's present condition. Mr. King is the manager of the Mei Shun Steamship Co., and a shipping man of many years experience on the China coast. He has made a special study of requirements in different ports from French Indo-China to the Russian frontier, and when the government determined to reorganize the company he was appointed one of the counsellors. Subsequently he was manager of the Business Department of the company, and recently took charge of the Marine Department.

To this paper Mr. King admitted that the chief handicap of the China Merchants Co. was the lack of experienced shipping men. He was not referring to the masters and officers employed on the ships, most of whom were thoroughly well qualified to take charge of vessels anywhere, but he referred to the

men in the offices on shore. With half a dozen experienced shipping men of wide vision, capable of taking in not only local requirements by the needs of a company operating up and down the whole coast, the affairs of the concern could be put on a paying basis, he said. But where were six such men to be found in China?

Overhead Terrific

The company, he told our representative, was in reality only a small one, yet their overhead cost was terrific. This was because, with only a comparatively small amount of carrying tonnage available, the company had been run as if it were the same size as Butterfield & Swire. It was true that the company owned millions of dollars of very valuable property, which might be useful for raising loans for improvements, but until the shipping business was placed on a sound commercial footing, paying for itself and at the same time creating a reserve for insurance and replacement, there could be little hope of profit.

In spite of what opponents of the company had been saying about the government's control, the real objective of the officials was to put the company on a paying basis, not for their own profit but for the shareholders, and to re-establish the largest Chinese-owned shipping company on a sure foundation.

The China Merchants was founded in 1872 and four years later bought the Shanghai Navigation Co. with all its ships and wharves. They then possessed eight river vessels and seven coasters. The primary object was to transport cereals from Kiangsu and Chekiang to the north. They received government encouragement through a 20 per cent. reduction on the import duty on all cereals carried in the company's bottoms, and this was of great assistance. It was discontinued, however, in 1894.

Up to 1909 the affairs of the company prospered, but from then to 1914 it fell on lean times, and by the outbreak of the great war the position was very bad indeed. The war saved the company, as profits were plentiful and large, but when it was over the company steadily declined. It was managed in such a way that when things were going well for it, it made money, but when things were inclined to go against it, it

lost heavily. It was a fair weather company, and that was what the present reorganizers wished to remedy.

By the time the government put in their commission in 1927 the affairs of the company were again in a very bad way indeed. The investigations of the commission led the government to appoint a general manager the following year, and at present the organization consisted of the general manager, six departmental managers, and one branch manager. They had various recommendations to the government and were awaiting its decisions.

The company now owns 26 steamers, he said, of 35,000 carrying tonnage. Of this, when repairs and lay-ups were taken into consideration, only about 24,000 carrying tons were capable of earning. In addition more than half the vessels were over their economical running age and should be either scrapped or laid up.

Old Company Criticized

He strongly criticized the policy of the old company in not laying by a reserve for replacements. There appeared to have been some attempt to do this, but it resulted only in the transfer of certain figures from one book to another in the accounts department and when money was needed to replace a ship old or sunk there was none to be had.

At the present moment, though its affairs had been much improved, the company was far from being able to complete with any other. They did not have men with the essential knowledge to make the business a success, and this was their greatest handicap. They had had every chance in the old days, but the management had lacked perseverance and energy and the present position was the result.

The overhead of the company was higher than any other. He believed the overhead for the N.Y.K., for instance, was Y4 per ton, including everything. In the China Merchants, however, the overhead was Tls. 5 per ton for office alone, and Tls. 8 per ton for all charges. This was due to the size of the staff and the unnecessary persons employed. The staff was for a big shipping company, whereas the China Merchants, with the small amount of earning tonnage available, was not a big company.

Mr. King stated that it was the hope of the reorganizers to put the company on a footing where it could compete with other shipping companies and show the world that China was capable of running a shipping line as well as any other nation in the world.

SEQUEL TO TOBACCO TAX

Chinese Complaint of Unfair Treatment

Much dissatisfaction is being voiced by Chinese shipping companies against what they describe as "unfair treatment tending to benefit foreign shipping companies and to bring disaster on Chinese companies." This refers to the shipment of tobacco leaf on Chinese vessels which, the Chinese shipping companies say, are being subjected to a special tax while foreign companies are exempt.

It was only recently, they say, that the Ministry of Finance decided to impose a special tax of \$1 on each bale of tobacco leaf shipped to Shanghai from Haichow. This order naturally meant that all companies engaged in this trade, irrespective of nationality, would have to pay, but apparently it is being imposed only on Chinese companies for, when they berth alongside the wharves in Nantao, inspectors come aboard and, after inspection, call for the payment of this tax. Foreign vessels bringing the same kind of cargo to Shanghai berth alongside wharves in the International Settlement and for some reason or other, they do not have to pay. This unfair treatment tends to benefit foreign shipping companies, they say, for Chinese shipping companies are thrown out of business so far as the shipment of tobacco leaf is concerned while the foreign companies are reaping the benefit.

In the course of a petition to the Minister of Finance, the Chinese companies point out this unfair state of affairs and request the Minister to take steps to rectify the situation and to improve the treatment accorded to Chinese companies.

JAPANESE LANDING PARTY

Apprehension Caused Through Report of Withdrawal

The local Japanese papers have printed the following:—

According to rumours prevalent in fairly reliable circles the Japanese naval landing forces now stationed in Shanghai will be completely withdrawn by the end of November this year.

It will be recalled that these blue-jackets, then numbering some 1,500 men, were landed in Shanghai in March, 1927, in order to protect the lives and property of the residents in the Settlement during the civil war disturbances following the advent of the Nationalist Army in Shanghai.

The report of the proposed withdrawal is being received with considerable apprehension in some quarters. The majority of the Japanese residents are of the opinion that it is premature to contemplate such steps when Chinese, in general, are inclined to be hostile and unfriendly towards Japanese and furthermore when political stability is lacking in this country.

Proposed Petition to Government

While these rumours are denied at the headquarters of the Japanese naval landing forces, some of the residents are suggesting that, should the report prove to be true, they should petition the Government to give up the idea.

Some people are inclined to believe that since the foreign blue-jackets and marines were landed simultaneously in accordance with the decision of the Consular Body, the withdrawal must also be carried out jointly by all the forces with the understanding of the Consular Body.

Mr. Hsu Moh, Commissioner of Foreign Affairs, has lodged a protest with the French Consul-General, M. N. E. Koehlin, against the continued operation of three French wireless stations in Shanghai. According to the vernacular press, the Commissioner considers that China's sovereign rights are being impaired, so he has taken this action.

GREYHOUND RACING AND OPIUM

Another Letter from Commissioner of Foreign Affairs

The suppression of greyhound racing and public opium smoking are the subject of further protests which have been lodged by Mr. Hsu Moh, Commissioner of Foreign Affairs, with the Senior Consul, Mr. E. S. Cunningham, and the French Consul-General, M. N. E. Koehlin. The Commissioner draws attention to the fact that he has already taken up these matters with the Consular Body but, so far, no steps have been taken to suppress these two evils. The letters are similarly worded and refer respectively to the International Settlement and the French Concession, says the Chinese press. They read as follows:—

"I appreciate very much the contents of your letter under date July 8, wherein it was stated that drastic measures will be adopted in connection with the suppression of public opium-smoking and gambling.

"However, it is feared that these social evils have not been altogether done away with, and I request you to investigate the situation and to adopt drastic measures to uproot these evil practices. Furthermore, you have expressed the view that no restrictions should be placed on greyhound racing because it is conducted in accordance with the regulations of the race clubs throughout the world and China is not an exception.

"I hardly realize the point because, apart from the foreign Settlements of Shanghai, greyhound racing has never been carried out in any other part of China, and therefore your views will bring about a misunderstanding. Greyhound racing is a form of gambling which has been carried out on a large scale and its admission tickets, as well as betting, are lower than those of other forms of racing competition.

"Greyhound racing has attracted the common people and there are many instances of such people, in the long run, losing their jobs, ruining themselves and their families and becoming thieves and robbers. It has, therefore, seriously affected the community.

"According to Chinese law these racing tracks should be suppressed, and according to the laws of other nations, where public interests are concerned, these establishments should also be suppressed. I, therefore, sincerely request you to regard greyhound racing on the same standard as other forms of public gambling and to suppress it at once."

PASSENGERS TO U.S. TO BE EXAMINED

Precautions Against Spread of Spinal Meningitis

According to Dr. Thomas B. Dunn, United States Health Service representative in China, all persons leaving Shanghai for the United States must first submit to a medical examination and be pronounced free from contact with spinal meningitis cases. This applies only to first and second class passengers as being accepted from Shanghai. A medical report must also be had in Japan and the Philippines where steamer passengers are being accepted.

The examination will be formal but rigid to the extent that the person being examined must furnish proof of not having been in contact with the disease. Provided the person has been found free of meningitis, a medical certificate is issued and this must be presented with the application for passage.

The Public Health Service Bureau in Washington has ordered that the steamer accommodation list be reduced by 75 per cent.

Protests From Manila

Manila, July 29.

Steamship company officials have protested to their home office regarding the new U. S. immigration regulations.

Immigration of Filipinos into the United States has been virtually strangled, it was stated, since the reduced space in steamships' steerage quarters is more than filled by Filipino workers bound for the Hawaii cane fields in accordance with contracts with the Hawaii Sugar Planters Association.

It is felt that the new regulations providing for extra space per person as a preventive of disease are unreasonable.—United Press.

OPENING OF CATHAY HOTEL

The Luxurious
Interior of Sassoon
House Ready for
Occupation: Two Hundred
Rooms and Suites



Photo by Ah Fong

Wonderful Combination of Art and Luxury: The Lalique Glass and Lighting: Suites in Styles of All Nations: Air Brought to Correct Heat Daily

August 1 witnessed the formal opening of the Cathay Hotel, one of the rapidly increasing wonders of Shanghai. A brief description of the hotel has been given before, but the place is deserving of more, for it constitutes in every way a remarkable tribute to local workmanship and it is not easy even to attempt to give a description in writing that would convey an adequate conception of its luxuriousness. After a tour through the hotel, one felt, indeed, that the Sassoon family have paid a wonderful tribute to Shanghai, both as regards its present and future, for if such well-informed people believe that Shanghai can now and will continue to support such a gorgeous place, then there should be small need to worry. It is a noteworthy fact, too, that no secret is made of the main intention being to cater for casual visitors rather than permanent residents, which is rather hard luck for undoubtedly very many of the latter would jump at the chance of living in such luxury, but again it is a compliment to Shanghai, as revealing a sound belief that here is something about the city which will continue to attract streams of visitors.

Artificers of the Hotel

Before coming to a description of the hotel, it would only be fair to mention to whom most of the credit should be given. The hotel was designed by Messrs. Palmer and Turner and they have done exceptionally well, for the building was not originally intended for a hotel and they had to adapt it as such. Then, when Mr. G. L. Wilson was at home, he was attracted by the wonderful Lalique lights which are now all the rage (and about which more later). He bought a large number of them and then practically constructed his hotel round the lights, with a success which must be seen to be fully appreciated. The furniture was divided amongst Arts

& Crafts, Weeks & Co. and Hall & Holtz, and never have there been better proofs of the excellence of Shanghai workmanship. The imitations of old period furniture are especially clever, the cracked, stained and seared wood and the chipped and faded cane seats being wonderfully realistic. Then, too, all the furniture has been upholstered to harmonize with everything around it—walls, ceilings, fittings, curtains, etc.—the effect of this being particularly clever and pleasing in the lounge. One understands that Mrs. G. L. Wilson was largely responsible for this.

The site was an ideal one for an hotel, the three frontages enabling the architects to arrange for access from The Bund, Nanking Road, and Jinkee Road, as well as from the rotunda in the centre of the arcade. From the ground floor there are five lifts, three of which work express to the seventh floor. The reception office, though ample and obvious, at the same time is discreetly located where it does not impinge too noticeably on the handsome ground floor lounge, which is two storeys high, pillared in marble, with two balconies (one for each of the sexes) giving a measure of privacy if desired. The walls are of light grey and rose mottled marble, with dove grey marble strips marking the panels. Above the marble are paintings in soft colours of imaginary cities in various styles of architecture—just fantasies and nothing more. The comfortable chairs and settees are upholstered in tapestry, in which, as stated before, are blended the colours of the surroundings. The curtains are of royal blue velvet. There is an American bar off the lounge.

The Lalique Lighting

Taking an express lift one is whizzed up to the seventh floor,

where one finds another commodious lounge, ante-rooms, reading and writing rooms, and, perhaps the finest feature of the hotel, a lofty and magnificently appointed dining room, opening on to spacious terraces facing south, and having a specially strung wire spring dancing floor. After the first glance, however, one almost loses interest in everything except the wonderful Lalique lighting, which is a riot of beauty in the dining room. Lalique is a Frenchman and, though now over 70 years, he was only recently discovered. He has a wonderful method of moulding opalescent glass in beautiful and fantastic designs which are illuminated by lamps from below and at any time the effects can be changed by simply putting in coloured lamps. Most of the hotel lighting is done in this way, even to shaving mirrors in the bathrooms. Looking at the figures, plaques, and pendants in the ballroom, one realizes that no heavy ornamentation, no strong colours could be associated with such delicate jewels: nothing but gold, silver, rose and mother-of-pearl could be used in juxtaposition and those are the colours selected by the architects. The ten "Ladies of the Fountain," no two alike, glowing in their niches in the columns, fascinate all who see them, the sparrow plaques, and the wonderful lanterns of innumerable pieces of moulded glass held together with silver rings appear altogether unreal. The strange centre fittings in the two recesses off the main dining room resemble, some huge monster of the star-fish family, that might well have come from the uttermost depths of the ocean, only we know they also come from the studios of Lalique. The lighting effect of the crystal fountain and the wall standards remind one of the illustrations of Lord Dunsany's stories, all so strange and yet so beautiful.

The lighting fittings so far described may be regarded as decorations only. The actual illumination of the room is by indirect lighting

and here the architects felt that sudden changes would not be possible, for, with the delicacy of the Lalique glass, one feels it would not stand the shock of lights being switched on and off in a jerky manner, so special apparatus has been installed to intensify and dim the lights gradually, one colour melting into another, giving the effect of sunrise and sunset, blazing day and moonlight.

In Chinese Style

Passing up the main staircase to the base of the tower, one is transported to another fairy palace, this time in Chinese style. On the wall of the staircase landing there is a huge painting of a Chinese landscape, on a pedestal is a golden carp, also of Lalique, dazzling in its brilliancy and it is hard to believe that the light in the base can produce so wonderful an effect. Crossing the landing is the restaurant, also in Chinese style, and in the entrance doors are set circular panels of Lalique goldfish swimming in an opalescent sea. The colour scheme in the restaurant is jade and gold, relieved by black and red lacquer, the coffered ceiling is a work of art painted by Chinese temple artists who had to lay on their backs on the scaffolding to carry it out, incorporating all the best known symbols of good augury for Buddhist and Chinese. Here again are carpets and curtains of jade green splashed with gold, all of the same pattern, specially made for this room. In a niche in one wall is another golden carp in all its glory. From the windows of this room a wonderful view of the river is to be seen, and during the summer it will be possible to dine on the terrace below the stars, with palms and flowers around.

Best of Medieval English

A flight of stairs leads to the ballroom, taking one back to the best period of medieval English architecture. This room is in Jacobean style, with a richly modelled ceiling. The carving on the panelling and mantelpiece is another fine example of the craftsmanship of local firms. Every detail in this room, as in all others, has been most carefully designed, the antique style electric light fittings being a particular joy. One feels that at this height there cannot be anything more above, yet, climbing again, one finds a series of private dining rooms, some with balconies overlooking the river, and for those who wish to get away from the noise, dirt and mosquitoes and spend a pleasant evening high above Shanghai, these should be in great demand.

Bedrooms and Suites

The 200 bedrooms and suites are on the fourth, fifth, sixth, and seventh floors, and from the smallest single room to the most luxurious suite they offer the last word in comfort. Each has its separate bathroom and the suites have two, besides their sitting and dining rooms, and service rooms. The furniture varies little in any of them, save as to style, and it is all of a class worthy of the most select hotel in the world. The nine suites have each a style of their own—English, Old English, Chinese, Japanese, Futuristic, etc.—and the designers even went the length of putting on skilled Chinese and Japanese workmen to ensure that the rooms accredited to their respective countries were complete to the smallest detail.

It goes without saying that the kitchens are of the most up-to-date design and in them there presides a celebrated French chef, with a number of other skilled foreign assistants, who between them do practically all the preparation of meals. Such trifles as bells, telephones, etc., seem hardly to call for notice, but, wherever he is in the hotel, a guest need do little more than stretch out his hand for such things. As was to be expected, the architects usually all thought of the old types of heating and ventilation and installed the latest scientific apparatus by which the incoming air is washed in a fine water spray and its humidity and temperature adjusted so that every day, climatically, is a perfect day, and there is no call for fans in

summer and little for any secondary heating apparatus in winter.

The hotel has a staff all told of over 400, foreigners and Chinese.

The Management Entertain

To signalize the opening of the hotel a large company was entertained to dinner by the management on July 31. The guests were:—

Mr. and Mrs. E. S. Cunningham, Mr. C. F. Garstin, Mr. A. F. Aveling, Mr. and Mrs. E. G. Jameson, Mr. H. J. Brett, Brig.-Gen. and Mrs. Macnaghten, Mr. O. M. Green, Mr. F. Hussey Freke, Mr. F. E. H. Groenman, Mr. E. Koechlin, Mr. and Mrs. G. L. Wilson, Col. L. M. Cosgrave, Mr. and Mrs. A. M. Cannan, Mr. and Mrs. A. W. Burkill, Mr. and Mrs. C. L. Burkill, Mr. and Mrs. B. Monteith Webb, Capt. R. E. Sassoon, Mr. E. M. Gran, Mr. and Mrs. A. E. Jones, Mr. V. Meyer, Mr. B. C. M. Johnston, Mr. and Mrs. F. W. Maze, Mr. and Mrs. M. Speelman, Mr. and Mrs. C. H. Arnold, Judge and Mrs. Milton D. Purdy, Mr. and Mrs. E. Carrard, Mr. and Mrs. P. W. Massey, Mr. W. R. McBain, Mr. H. P. Mills, Mr. J. MacGregor, Mrs. N. MacGregor, Brig.-Gen. Borrett, Mr. A. D. Bell, Mr. G. W. Sheppard, Mr. J. Commijs, Mr. and Mrs. Funatsu, Mr. and Mrs. Fukushima, Mr. and Mrs. M. Austen, Mr. and Mrs. C. M. Bain, Judge and Mrs. G. W. King, Mr. and Mrs. R. Calder-Marshall, Mr. and Mrs. E. T. Byrne, Dr. and Mrs. Chatley, Mr. F. P. West, Mr. and Mrs. N. L. Sparke, Mr. G. T. Lloyd, Mr. and Mrs. C. J. Laval, Mr. and Mrs. McLeay, Mr. and Mrs. Carl Crow, Mr. and Mrs. G. Boulton, Mr. H. Mann, Mr. and Mrs. H. V. Wilkinson, Mr. and Mrs. J. Chocheat, Mr. T. Saito, Mr. Holbrow, Captain J. G. Dyson, Captain R. M. J. Martin, Mr. and Mrs. P. Schwyzer, Mr. W. Turner, Mr. A. Malcolm, Mr. J. E. Needham, Mr. W. E. Leckie, Mr. P. A. Cox, Capt. A. K. MacEwen, Mr. C. C. Langhorne and Mr. Percy Sacklins.

An excellent programme of music was played during dinner by the hotel orchestra under Mr. Henry Nathan, and afterwards Mr. H. E. Arnold, Chairman of the S.M.C. and a director of the hotel company, spoke briefly and paid compliments to all who had been associated with the building and equipment of the hotel. Mr. Cunningham also paid some compliments and in particular mentioned the dinner, which the guests were at one in agreeing was one of the most sumptuous ever served in Shanghai. Mr. and Mrs. G. L. Wilson also spoke.

Following the speeches, the guests went on a tour of inspection and then spent several hours in dancing to music which they found quite in keeping with everything else in the hotel.

OBITUARY

Mrs. May Hancock

We regret to announce the death on July 26 at the Country Hospital of Mrs. May Hancock, for the last nine years attached to the Canadian Trade Commissioner's office and at the time of her death a trusted and valuable assistant to Col. Cosgrave.

Mrs. Hancock died of sleeping sickness. On July 21 she was taken to the hospital and it was at first believed she was suffering from typhoid fever but as the case developed this was found to be erroneous.

She was a native of London, England and leaves a mother and two sisters there. A brother is on the B. & S. Hongkong-Bangkok run and a husband is connected with the same organization at Ipoh, Federated Malay States.

Mrs. Hancock was held in high esteem by all who knew her and her death will come as a great shock.

The funeral took place on July 29 in the Hungjiao Cemetery when the Rev. Father MacDonald officiated. There was a large attendance of friends present. The chief mourners were Col. L. M. Cosgrave, Mrs. A. V. Reed, Mrs. McCann and Mrs. Christie. Messrs. R. A. Young, Percy Campbell, T. A. See, F. S. Quilliam, R. C. Hall and A. V. Reed acted as pall-bearers.

A number of beautiful floral offerings were sent in, among these being those from Mother, Brother Will, Sam, Vera and Constance, Sam, Molly and Sidney, Esther and Ellen, staff of the Canadian Government Office, Col. L. M. Cosgrave, Flossie, Fred, Nan, Mr. and Mrs. A. G. P. Dewing, Mr. and Mrs. W. J. B. Roope, Mr. and Mrs. G. S. Dwyer, Mrs. G. E. Bird, Mr. and Mrs. Whitton, Mr. and Mrs. Barclay, Capt. H. P. Surry, Mr. Riley, A. Bishop, Mrs. I. Moss and Phyllis, Mr. and Mrs. D. B. Sparks, Mr. and Mrs. T. C. Hall, Messrs. Vlouski & Co., Misses Beleson, Mr. E. Powell, Barbara and Gaby McCann, Mr. and Mrs. M. Beuchot, Kate Berthel, Capt. and Mrs. A. V. Reed, Mrs. F. A. McCann, Mr. and Mrs. R. A. Young, Mrs. W. E. Walte, Mr. and Mrs. Manley E. Jensen, Mr.

and Mrs. B. Fraser, Doodie Mancell, Mr. and Mrs. W. H. Chen, and Mr. and Mrs. Leslie Francis.

M. Jean Barraud

We regret to announce the death of Jean Barraud, age 23, the only son of the well known French lawyer and Mme. Barraud, on July 29 at St. Marie's Hospital.

The deceased was taken ill on July 26 and an urgent operation for appendicitis took place. The following day complications set in.

The deceased only returned from France in October of last year and has been employed at Maison Chris. He is survived by his parents and a sister who just returned to Shanghai and to them we offer our deepest sympathies in their bereavement.

Mr. J. G. Priestwood

The news on August 1 of the death of Mr. J. G. Priestwood, for many years a well known figure in Shanghai life, must have come as a great shock to his many friends in this port, who will feel his passing as a personal loss. Mr. Priestwood, although he had not been in very strong health for the year, went about his ordinary life to within almost a few days ago, when he developed flu, and died in his sleep late on July 31 of heart failure.

Mr. Priestwood, who was in his 55th year, first came to Shanghai from England in 1913, when he joined Mr. H. Browitt, being admitted to the Bar of the Supreme Court on January 30, 1913. Shortly after this he started in business on his own account and built up a steady practice through his keen ability and careful work. Up to the last year he was often to be seen at work in the local Courts.

An enthusiastic member of several clubs, the late Mr. Priestwood, was always ready for a friendly argument on any subject that happened to occur. He was a keen billiard player, and was a member also of the Shanghai Golf Club, for which he did very valuable work when the Club was redrafting its rules preparatory to registering as a company under the Hongkong Ordinances. He was also a Mason, a member of the Northern Lodge.

Mr. Priestwood, who intended leaving Shanghai for England with Mrs. Priestwood on August 3, is survived by his wife, and three sons, to whom great sympathy will be extended in their sudden and sad loss. The second son, Mr. Victor Priestwood, is the Assistant Crown Advocate at H.M. Supreme Court here while his elder brother is now in Casablanca, and the younger in London.

Reference in Supreme Court

Before proceedings commenced in H.M. Supreme Court on August 1, His Honour Judge King announced Mr. Priestwood's death. He said:—

"I was very shocked and grieved to hear this morning of the death of Mr. J. G. Priestwood, one of the senior members of the Bar of this Court, to which he was admitted on January 30, 1913. During these years, he had good practice both on the civil and criminal sides, but it is principally by his criminal practice that he will be remembered. His many successful defences of prisoners both in the Police Court and the Supreme Court were the outcome of his ability combined with careful and conscientious work. He was a well known figure at the Bar and in the clubs to which he belonged and will be much missed by all of us. Our sympathy goes out to his widow and son here in Shanghai, and to the rest of his family at Home."

Mr. E. L. Hartopp on behalf of the Bar expressed the regret that would be felt at the passing of Mr. Priestwood.

ACCORDING to an order issued by the Commissioner of Public Safety for Greater Shanghai to his subordinates, members of the Public Safety Bureau may enter the International Settlement to arrest Communists if they flee to the Settlement, from Chinese territory, says the "Eastern Times."

LOCAL Chinese philanthropists are raising funds to send back about 2,000 famine sufferers from Honan Province to their native places. These people arrived in Shanghai a couple of days ago and have expressed their unwillingness to go back home in view of the serious famine conditions there.



Captain G. Pini, Commander-in-Chief of the Italian Naval Forces in the Far East

SOARING PRICES FOR RICE

Rise of Three Dollars Per Picul Within the Last Few Weeks

The gradual increase in the price of rice is causing no little perturbation among the local Chinese, community and the cereal, which was being charged for at the rate of \$12 and \$13 per picul several weeks ago, is now costing not less than \$16 for the best grade. Even in the rice producing centre, Wusih, the grain is costing as much as \$14.50 a picul, so, with freight charges added and other incidentals, rice shipped to Shanghai from that place is not bringing the farmers much extra.

There are a number of reasons for this sudden increase, such as illegal taxation, the threats of warfairs and the large supplies which will be required to feed China's huge armies in the event of fighting breaking out with Soviet Russia; hoarding and smuggling for export to Japan; the refusal of junkmen to bring the grain to Shanghai because they are constantly being molested by pirates and because the authorities have failed to take steps to suppress these wrongdoers; the congested state of the Soochow Creek; and the recent typhoon, which caused considerable damage to the crops by beating them down and flooding the fields.

According to a report issued by the Greater Shanghai Rice Supplies Commission, the stocks in Wusih at the present time amount to only 15,000 piculs, which is insufficient to meet the requirements of the people of that city. This being the case, prices have soared there and it is only natural that Shanghai, being a great rice consuming centre, should find its prices going up in proportion.

Expensive Huchao Fees

Coming on top of all this is the news that the Hunan provincial authorities are imposing a huchao fee of \$3 per picul on grain shipped from that province, and that a similar tax (though much smaller) is being levied by the Kiangsu provincial government.

However, it is reported that fairly large shipments may soon find their way into Shanghai from the other provinces, in which event a rice famine will be averted, and prices will decline, though not to a very large extent, it is expected.

In this connection, it is of interest to note that the chairman of the Shanghai Rice Guild, Mr. Yeh Hui-chun, has addressed a circular letter to rice merchants throughout Shanghai appealing to them to keep their prices at a steady level and not to allow them to exceed \$16 per picul for the time being. Mr. Yeh left yesterday for a tour of the rice producing districts with a view to meeting the leading rice merchants and discussing measures to prevent further increases in prices.

Meanwhile, reports the Chinese press, the Commission for the Reorganization of Shanghai Commercial Organizations have addressed a letter to the Chinese Rate-

THE CHAPEI WATER DISPUTE

Inconvenience Caused Through Cutting Off of Supply

The dispute between the residents of Chapei and the Chapei Waterworks & Electricity Co. over the increased water rates continues in abeyance, but meanwhile the cutting off of the water supply by the Chapei company is causing no little concern, especially during the hot season.

The company, it will be recalled, recently announced its decision to increase its water rates and this was promptly opposed by the people who considered that these were already too excessive. Accordingly, when the water bills reached the consumers, they refused to pay in accordance with the new rates, though they were perfectly willing to pay the old rates, so the company gave warning that, if the money were not paid, the water supply would be cut off. This was ignored and the supply was cut, the residents of certain alleyways running off Paoshan Road having been without water since July 19, and other householders for even a longer period. Other residents have been notified that, if they do not pay their bills, their supplies will also be severed.

Finding themselves without water connections, the Chapei people appealed to the Mayor of Greater Shanghai and to the Commissioner of Public Utilities and the latter suggested that, pending a settlement of the dispute, artesian wells should be bored at the entrance of each alleyway and that the water from these should be sold at the rate of 50 cents per 100 gallons. Several of these already have been installed but the people of the poorer districts are finding themselves considerably inconvenienced because of the absence of the normal water supply.

It is understood that the Mayor has decided to take the matter up with the Waterworks.

THE Shanghai District Magistrate has decided upon a novel method of waging war on locusts. He is doing his best to encourage the farmers to allow ducks about the fields so that they may eat the insects.

An order has been issued by the Ministry of Finance to the effect that, hereafter, all banks intending to print banknotes either at home or abroad must first obtain permission from the National Government, failing which they will not be permitted to issue these.

THE Shanghai Municipal Council with a suggestion that local merchants should be permitted to unload their stocks at the Settlement jetties as they are finding things too congested elsewhere. This, being the case, they are unable to land their stock as quickly as they would wish, so rice prices have increased as a result.

HONGKEW OPEN AIR SWIMMING POOL

The Question of the Possibility of Disease Being Spread

A Chinese correspondent has written to this paper on the subject of the Hongkew Park open air swimming pool, asking whether the hundreds of people who use it during the hot days do not sometimes help to spread disease, and suggesting that once a week for changing the water is not often enough.

On reference to the Municipal authorities who have the care of the swimming pool in their hands, it is discovered that the inquirer has not much ground for apprehension. Last year several new experiments were carried out for the purifying of the water, and with success, so that this season the water in the bath is purer than it has been during most years. The bottom of the bath is not tiled so that the water has to be very still before the bottom can be plainly discerned, but in the early morning before the surface has been disturbed and air bubbles made in the water by bathers the water is as clear as could be desired. As to the spreading of disease, those who are obviously suffering from any complaint are debarred from entering, while if any swim whose illness is not obvious, the germs could not exist long in the chlorinated water.

Changing of the Water

Turning to the question of changing the water in the pool: the bath has its own pumps which work about 16 hours a day, pumping the water through the bath, purifying it and sending it back. It takes, roughly, 12 hours for the water to pass right through the bath, so it will be seen that each day the water changes a little more than once completely. The authorities naturally like to put in fresh water as often as possible and a complete change of water, fresh from the Shanghai Waterworks, is put in about once every 10 days. Changing the water completely like this more often, which would be unnecessary, would be found a great inconvenience to the throngs of foreigners and Chinese who use the pool daily, for a bath which it takes 350,000 gallons to fill, cannot be emptied, cleaned and filled very quickly—36 hours is the usual time taken in this case. The emptying of the bath is commenced at 9.30 one night, the cleaning takes place the following day when the pool is emptied, and it is filled during the remainder of the day and night, ready to open on the following morning.

Bacteriological Tests

Bacteriological tests are taken of the water every now and then, and it has been found that before changing the water completely for new, that the water in the pool is very little less pure than the water supplied by the Waterworks Co., for drinking purposes. The green growth which makes its appearance in all standing water is very seldom seen in the Hongkew Park swimming pool and is in any case perfectly harmless and natural.

So it will be seen that the many hundreds who enjoy the use of the bath during the hot summer months, have little cause for fear.

RECENTLY, the National Aviation Corporation, of which Mr. Sun Fo, the Minister of Railways, is the President, drew up a scheme for the laying out of a large flying field, about 2,000 mow in area, at Lunghua, says the Chinese press, which mentions that already officers of the Corporation have commenced the survey work. Upon receipt of this information, farmers of a number of villages in Lunghua which are within the limits of the proposed flying field called on the chairman of the Greater Shanghai Municipal Administration Committee on Monday morning and requested him to approach the officers of the National Aviation Corporation with the suggestion that the proposed flying field should be laid out elsewhere because it will mean disaster to them if their homes are pulled down and their rice fields are levelled for the proposed flying field.

THE AUTOMATIC TELEPHONE

Facts About the System Being Installed in Shanghai

During the discussion of the Telephone Co.'s service and management the automatic system which is being installed in Shanghai has come in for a good deal of criticism particularly on the ground that it is one which has been discarded elsewhere. This assertion has been contradicted by the Telephone Co. The further statement reaches us from Mr. Edward C. Richardson, vice-president of the International Standard Electric Corporation, setting forth some facts about the system which is being installed in Shanghai.

There are but two principal systems of automatic telephony in general use at present. One is the power driven non-decimal system represented by the Panel and Rotary types of equipment; the other is the Step-by-Step decimal system commonly referred to as the Strowger type of equipment. Both systems will operate satisfactorily and it should be noted that the suppliers of the Shanghai Rotary equipment are currently manufacturing and selling both Rotary and Step-by-Step.

A Humid Climate

The machine driven Panel and Rotary equipments are of the non-decimal type employing larger switches and permitting larger junction groups. They are identical except that Panel equipment uses larger switches than Rotary and therefore permits even larger junction groups. They will operate satisfactorily on either 24 volts or on 48 volts though 48 volt equipment is generally preferred. The adoption of 24 volt equipment on the original order for Rotary equipment for Shanghai was due entirely to local factors such as a desire to use the then existing power plant and the belief that in an unusually humid climate, the lower voltage would result in less corrosion of contacts. But this question of voltage has but slight importance. With proper maintenance of the equipment and usual standards of construction and maintenance of outside plant, the 24 volt Rotary equipment gives entirely satisfactory service and is thoroughly modern in every respect. In the two additional exchanges now on order, the Telephone Company will use 48 volt equipment. First cost will be less because the 48 volt equipment is manufactured in larger quantities, the exchanges are new offices with no existing power equipment and it is now apparent that the corrosion problem has been overcome.

Question of Economy

The use in the Panel and Rotary types of equipment of larger groups permits greater flexibility and very large economies in junction cables. The use of large switches is made possible by an ingenious device known as the "register." It is the register which translates the impulses sent on a decimal basis (from the subscriber's dial) to non-decimal impulses controlling 200 line switches in the rotary equipment and 500 line switches in the panel equipment. If it were not for the register, all switches would have to be on a decimal basis such as the 100 line switches in the Step-by-Step system. In permitting this use of larger junction groups, the register was an invention of the greatest value, as flexibility and junction cable economies are of dominating importance in large metropolitan areas. This accounts for the adoption of panel equipment for cities like New York, Chicago, Philadelphia and Boston and of Rotary equipment for Paris, Madrid, Brussels, Copenhagen and Oslo.

Adopted in Paris

Some three years ago the French Government appointed a Technical Commission to investigate and study all available automatic systems. This Commission called upon all telephone manufacturers to submit plans and demonstrate the suitability of their respective systems for the large Paris area. After an exhaustive study extending over two years, the Rotary system was unanimously adopted because of its manifest superiority

over all competing systems. Forty thousand lines of Rotary equipment are being installed at Paris in this year. A copy of the report of this French Technical Commission is available at Shanghai for ready reference at the offices of the suppliers of the Shanghai Rotary automatic equipment.

A similar Technical Commission in Belgium has recently decided to use Rotary equipment exclusively throughout the entire nation. That these are not isolated decisions is shown by the fact that over 1,200,000 lines of Rotary are installed or on order.

The Rotary system gives a quality of service which can never be equalled by the Step-by-Step System due to a feature of the Rotary system through which when all junction channels are busy, a call is merely slightly delayed, not lost as in the Step-by-Step system. This is conclusively proven by statistics of the Swiss Telephone Administration. Their records show that the total machine faults in the Rotary equipment at Zurich are less than three tenths of one per cent, whereas for the Step-by-Step office at Berne, lost calls alone average one per cent. It is on these technical grounds and service records that telephone engineers over the entire world are so generally giving preference to the power driven non-decimal system.

National Manufacture in London

For London, the British Government demanded that its automatic system be manufactured in that country and inasmuch as there were at that time, two large companies manufacturing Step-by-Step equipment in Great Britain and as British Post Office Engineers found it possible to incorporate in the Strowger system, the fundamental feature of the Rotary system (namely the "register" previously referred to) these conditions determined the choice of system for London. National manufacture was the governing factor. The decision to install Step-by-Step equipment in Japan was due in large part to the Government's desire to adopt a system which is built by several manufacturers. No thorough study of alternative systems was made.

In the United States, the Bell System has decided that although the Step-by-Step system is satisfactory for installation in smaller cities, it is not suitable for large metropolitan areas. As the manufacturing subsidiary of the Bell System, the Western Electric Company is therefore required to manufacture panel equipment for important networks and Step-by-Step equipment for other localities. Step-by-Step is used merely because first cost is less than for panel. Finally, International Telephone and Telegraph Corporation in the factories of its various subsidiary companies, manufacture both Step-by-Step and power driven systems, but it is significant to note that when new installations are made by any of its associated operating telephone companies, Rotary equipment is invariably installed.

The Shanghai public is entitled to the best in automatic telephone equipment as in everything else, and it has it in the Rotary automatic system.

A NUMBER of local merchants have organized a cement company, the head offices of which are in Nanjing. The factory is situated outside the walls of the capital and, according to the Chinese papers, it is producing cement of a very good quality.

The Chinese papers say that, according to a report of the Ministry of Finance, China's foreign indebtedness amounts to approximately \$800,000,000 and her domestic loans exceed \$300,000,000. A committee has been appointed to make arrangements for the adjustment of these.

A strange case is reported from Chapei and the police are making inquiries which so far have been fruitless. A bride who was married on July 31 disappeared from the groom's home on the night of her wedding together with her husband's parents and all efforts to find them have been unsuccessful. No clues have been left behind and the cause of their disappearance is unknown.



One of our leading bankers, Mr. R. M. McLay, manager of the National City Bank

FIRE AT RACE CLUB STABLES

Sensational Outbreak Without Serious Results

For the second time since British troops have been billeted on the Shanghai Race Club's premises, a fire broke out in their quarters on July 30, the report thereof causing more of a sensation along the Bund, Kiukiang Road, Peking Road, and Jinkee Road than any vagaries of rubber, Ewos, or anything else. For a while, such people as were expected to have information listened to far more queries about ponies than all the shares in the market put together. Fortunately, there was little about which to worry, for the structure and the management of the Race Club's stables are such as to reduce fire risks to the absolute minimum.

The outbreak, just as in the first instance, occurred in the timber superstructure erected over the range of stabling facing Bubbling Well Road and is believed to have been caused by a faulty flue. The temporary military quarters are fitted with heating and cooking arrangements which have old-fashioned iron vent-pipes leading outside and these are constantly wearing through. Although the exact cause could not be definitely stated, it is thought that one of these pipes started the fire.

Smart Work by Soldiers

The alarm was given about 10 a.m., when smoke was seen rolling off the roof of the stables and in a few minutes it was rising in such heavy clouds that people in the streets thought there was a big conflagration. Perhaps there might have been something more exciting had it not been for the fact that two companies of the Wiltshire Regt. are billeted there. No sooner was the alarm given than the men doubled to their proper posts for the occasion, hose lines were run out from both ends of the building and trained on to the seat of the fire, whilst several calm and self-possessed men gave a hand in helping the excited mafoos to run the ponies out from the stables below. Fortunately, there was no show of flames to product that terror which makes horses unmanageable and so hypnotises them that they refuse to make for safety.

The smoke increased in volume, making quite an alarming display, but it was only due to the tar coating of the walls and roof of the temporary premises and actually the troops had the place beyond danger by the time the Fire Brigade arrived, and they made a very quick turn-out from the neighbouring Sinza station. The firemen settled the affair in a few minutes, and, indeed, the most excitement came during the clearing up, when the kindly disposed firemen wished to take away the hose for the purpose of drying it, whilst the Race Club's servants noisily opposed any removal of the club's property without the almighty "chit."

The actual damage done was small—and large. A few dollars will put everything to rights, but, as a Lance-Corporal of the Wilt-

A NEW CLINIC FOR SHANGHAI

Cornerstone of New Building in Range Road Laid

The Shanghai community was well represented at the laying of the corner stone ceremony of the Shanghai Sanitarium Clinic, which was held on August 1 at 35 Range Road, where the six-storey clinic building is now under construction. Mr. Chang Chun Mayor of Greater Shanghai laid the corner stone. Addresses were given by Mr. Edwin S. Cunningham, American Consul-General and Senior Consul, and by Mr. Yu Ya-ching, Mr. Kwok Bew, and Mr. Wen Tsung-yao, distinguished members of the Chinese community. Dr. H. W. Miller, superintendent of the Shanghai Sanitarium, and Mr. J. J. Strahle, chairman of the promotion committee of the clinic, also made speeches.

The addresses were given in the Seventh-day Adventist Church which is situated next to the clinic. Great interest was shown in the speeches of Messrs. Yu Ya-ching, Kwok Bew, and Wen Tsung-yao, who expressed gratitude for this worthy enterprise, which would provide a most efficient and economical institution where the poor may find proper treatment. They stated that the Chinese community was especially grateful for this institution, as it filled a long felt need.

Support from Leading Chinese

Leading Chinese of Shanghai had shown their appreciation of the work and plans of the Shanghai Sanitarium in the establishment of this clinic by granting substantial contributions, so that the building might not long be delayed. They expressed their appreciation, also, for the fact that the promoters of the clinic had been able to carry through their programme with such dispatch, so that the building contract was let only a little over six months after the Shanghai community had been approached for support in its erection.

Dr. Miller spoke of the establishment of the Shanghai Sanitarium on the Rubicon Road only a year and half ago, and stated that the support of the people of China and Shanghai to this institution had more than rewarded the promoters for their efforts in its establishment. The Shanghai Sanitarium soon reached its capacity, and it was found necessary to provide facilities for its growing patronage, as well as to provide a place where its special facilities for the treatment of the poor could be provided. Thus was the idea of the clinic developed. They now had under construction a 150-bed hospital, six storey in height, with elevator service to each floor, maintaining the ground floor for an out-patient department. He stated that while the hospital was primarily for the Chinese of small

shires said, with a very long face, "Our dinner's all gone west, and it will be iron rations for us today!"

means and limited circumstances the poor of other nationalities would also be received.

U.S. Consul-General's Welcome

Mr. Cunningham, the American Consul-General, said that the people of Shanghai would welcome this additional provision for the care of the sick and pointed out that this clinic-hospital, would be one of a chain of hospitals and sanitariums numbering many score under the same management, now found in Europe, Africa, India, Japan, and Korea, as well as in the United States and a number of islands in the Pacific, all of which were operating upon a non-dividend-paying basis, yielding no profits whatever to individuals.

In closing, the American Consul-General said, "I feel that we can all confidently believe that this clinic-hospital will be as successful in its sphere in the coming years as the Rubicon Road Sanitarium has been during the short term of its existence. Therefore, we heartily welcome this clinic; we wish for it and its directors and those chiefly responsible for its management, the highest degree of success; and we pledge our continued good will and support to their faithful efforts."

Mr. Strahle spoke a word of thanks to the public for their wonderful support of the plan, and mentioned especially the Councils of the International Settlement, the French Concession and Greater Shanghai. He stated that the funds in hand were slightly over \$120,000. The contracts for the building, plumbing, heating, and lighting came to \$120,000 however additional contracts amounting to approximately \$30,000 must be let in the near future in order to provide for additional features, such as an elevator and other facilities called for in the completion of the clinic. Mr. Strahle expressed his confidence that the Shanghai community would quickly respond to this further need in order to complete the campaign.

On July 23 a young lady thought to be a Russian got into difficulties, while bathing at Peltaiho. She was trying to swim towards the shore but seemed to make no progress against the undertow. She called for help but her friends thought she was joking and made no haste to swim to her aid. Another party of bathers noticed her distress and a young man swam rapidly towards her. By this time she managed to struggle back into her depth again and was helped out of the water almost in a fainting condition.

HOTEL BERKELEY

63-67, Queensborough Terrace
Hyde Park, London, W.2.
Two minutes, Kensington Gardens
Buses and Tubes.
HOT & COLD RUNNING WATER
GAS FIRES ALL BEDROOMS
PASSENGER LIFT
Noted for:—Healthy Position,
Quiet, Cleanliness. Excellent
Food and Attendance.
Terms from 3 gns. per week
including 4 meals, baths, light
and attendance. From 10/6 Daily.
NO EXTRAS.
TARIFF FROM "THE HERALD"
OFFICE

China's Greatest Newspaper

THE North-China Daily News carries a greater total volume of advertising than any other newspaper published in China. It is the regular daily newspaper of statesmen, financiers, professional and business men, and is the indispensable medium for the marketing of imported goods to the richest buying public of China.

NORTH-CHINA DAILY NEWS
SHANGHAI

COMMERCE AND FINANCE

MONEY AND EXCHANGE

FRIDAY, AUGUST 2.

[Hongkong & Shanghai Bank]

BAR SILVER 24 1/2
DEMAND SELLING RATES

£1 at 2 1/4 = £8.48 at 71.60 = \$11.84
G\$100 at 57 1/2 = £174.67 at 71.60 = \$243.95
Chi. dollars, per \$100, selling £72.00
Chi. dollars, per \$100, buying £71.00
Native interest per day on \$1,000 £0.08
Copper cash per \$100, 418.00
New York on London, G\$4.85 1/2

OPENING SELLING RATES

LONDON—Tel. transfer 2/4 1/2
Demand 2/4 1/2
NEW YORK—Tel. transfer G\$5 1/2
Demand 5 1/2
PARIS—Demand France 1462
INDIA—Demand Rupees 1582
BATAVIA—Demand Guilders 1422
HONGKONG—Demand Dollars 83 1/2
YOKOHAMA—Demand Yen 82
SINGAPORE—Demand Dollars 99 1/2

OPENING BUYING RATES

LONDON—Demand 2/4 1/2
4 months' sight credits 2/8
4 months' sight docts 2/6 1/2
6 months' sight credits 2/6 1/2
6 months' sight docts 2/6 1/2
NEW YORK—Demand G\$5 1/2
4 months' sight credits 60 1/2
4 months' sight docts 60 1/2
PARIS—4 months' sight docts Fcs. 1545

GOLD BAR—Opening 396.60
Highest 396.70
Lowest 395.30
Closing 395.80

American Oriental Bank

BANK CLOSING RATES

SELLING DEMAND DRAFTS
U.S. G\$100.00 Mex. \$241.84
Stg. £1.00 " 11.73
Fcs. 100.00 " 9.63
Yen 100.00 " 113.83
BUYING DEMAND DRAFTS
U.S. G\$100.00 Mex. 236.40
Stg. £1.00 " 11.44
Fcs. 100.00 " 9.20
Yen 100.00 " 111.80

Deutsch-Asiatische Bank

Berlin/Hamburg T/T Tls. 100 = Rm. 240.50
Berlin/Hamburg T/T Mex. \$100 = Rm. 172.20

Banques Belge Pour l'Etranger.

Belgas 4 1/4 \$1
Belgas 2 1/2 \$1

The Italian Bank for China

SELLING RATES
It. Lire 10.98 \$1
It. Lire 7.86 Mex. \$1
Swiss Frs. 2.99 \$1

Subsidiary Coin Exchange

MEX. AND CHINESE DOLLARS:—
Morning 100 = T\$71.7875
Afternoon 100 = T\$71.7875
KIANGNAN SILVER 20-CENTS:—
Morning 500 = T\$61.8
Afternoon 500 = T\$61.8
CANTON SILVER 20-CENTS:—
Morning 500 = T\$59.15
Afternoon 500 = T\$59.15
COPIERS:—
Morning 418,000 coppers = T\$100
Afternoon 418,000 coppers = T\$100
SMALL CHANGE:—
6 silver 20-cents and 4 coppers = \$1
24 coppers = 10 cents silver
10 cts. silver and 5 coppers = 10 cts. big money
Mex. \$1 = T\$71.7875
T\$1 = Mex. \$1.393

Native Interest (Per Day)

Morning .708 per \$1,000
Afternoon .707 per \$1,000

Domestic Exchange

Peking T\$1,000 = Shanghai T\$1,048.60
" \$1,000 = " \$1,000
Tientsin T\$1,000 = " T\$1,056.50
" \$1,000 = " \$1,000
Hankow T\$1,000 = " T\$1,027
" \$1,000 = " T\$1,013.50
Tsinanfu T\$1,000 = " T\$1,001
Tientsin T\$1,000 = " T\$1,004
Chefoo T\$1,000 = " T\$1,000
Fochow T\$1,000 = " T\$1,052
Amoy T\$1,000 = " T\$1,014
Mukden T\$1,000 = " T\$1,013
Nanking T\$1,000 = " T\$1,002
Hangchow T\$1,000 = " T\$1,002

Customs August Exchange Rates

Gold \$1 Hk. Tls. 1.58
Hk. Tls. 1 French Francs 16.34
" 1 Hongkong \$1.33
" 1 Singapore \$1.14
" 1 Rupees 1.77
" 1 Reich Marks 2.69
" 1 Guilders 1.60
" 1 Italian Lire 12.34
" 1 Swiss Francs 3.33
" 1 Belgas 4.83
" 1 Swedish Kroner 2.38
" 1 Norwegian Kroner 2.40
" 1 Danish Kroner 2.40
" 1 Spanish Pesetas 4.52
" 1 Czech-Slav. Kronen 21.59
" 1 Austrian Shillings 4.55
" 1 Mex. \$1.55

Exchange Market

Messrs. Lindsay, Macintyre & Drakeford report business done on August 2 as follows:—

INTER BANK SEPTEMBER DELIVERY

U.S. G\$ 2 1/4 1/2 Highest Lowest
Yen 8 1/2 8 1/2 80 1/2

MERCHANT CLOSING RATES

BANK SELLING
£ T.T. 2 1/4 1/2 del. August
G\$ T.T. 57 1/2 del. "
Fcs. T.T. 1475 del. "
Rs. T.T. 1601 del. "

BANK BUYING

£ 4 m/s. Lc. 2 1/4 1/2 del. August
G\$ 4 m/s. Lc. 59 1/2 del. "
Fcs. 4 m/s. 1075 del. "
Rs. 7 d/a. 1681 del. "

BULLION

Highest Lowest
Gold Bars 397.20 395.20

BAR SILVER

Ready For'd.
Lond. pence per std. oz. 2 1/4 1/2
N.Y. cents per oz. troy 52 1/2
Bombay Rs. per 100 tolas 53.13
Bombay off-take 217 bars.
Market steady.

MONEY CONDITIONS IN U. S. A.

The Rediscount Rate Unchanged

N.C.D.N. SPECIAL SERVICE

Washington, Aug. 1.
Brokerage loans this week increased \$52,000,000 over last week, it was announced to-day.—United Press.

New York, Aug. 1.

The rediscount rate is unchanged. Time money was quoted to-day at 8 1/2 to 9 per cent.—United Press.

LONDON STOCK QUOTATIONS

The following are yesterday's noon quotations on the London Stock Exchange.

July Aug.
Chinese Govt. Loans:— 30 2
Reorg. Gold Loan 5% 1913-... £63 6 1/2
Gold Loan 4% 1895-... 96 9 1/2
Gold Loan 5% 1896-... 97 9 1/2
Gold Loan 4 1/2% 1898-... 78 7 1/2
Gold Loan 5% 1925-... 69 6 1/2
Rlys. North China 5% 1899-... 72 70
Shai Nanking Rly. 5% 1903-... 62 62
Hohai Rly. 5% 1905-... 29 30
Canton Kowloon Rly. 5% 1907-... 29 29
Gold Loan 5% 1908-... 47 46
Shai Hangchow Rly. 5% 1908-... 74 75
Hukwang Rly. 5% 1911-... 39 40
Crisp Loan 5% 1912-... 44 45
Tientsin Pukow Rly. 5% 1908-... 31 29
Tientsin Pukow Rly. 5% 1910-... 28 28
Lunghai Rly. 5% 1911-... 28 28
Marconi 8% 1918-... 22 22
Vickers 8% 1919-... 30 29
H. & S. Bank-... £125. 0 0 £125. 0 0
B. A. T. Co. 6. 0 0 6. 0 0
Trenway 3. 7 6 2. 7 6
Shell Transport ... 4.10. 3 4.10. 9
Gula Kumpom 7.10. 0 1.11. 3
Chinese Engineering 3. 5 0 3. 5 0
Imperial Chemicals 1.13. 9 1.14. 4 1/2
5% War Loan 100.13. 9 100.12. 6

CHINESE YARN AND COTTON QUOTATIONS

The following were the prices ruling on the Chinese Cotton Goods Exchange, on yesterday.

COTTON YARN 16's "MAN AND BELL" STANDARD

(10's and 20's, Substitute)
MORNING
Month
Delivery Opening Second Third Closing
Aug. 163.60 163.30 163.10 163.20
Sept. 165.10 164.80 164.60 164.80
Oct. 165.20 165.00 164.80 165.30
Nov. 163.40 163.10 163.00 163.00
Dec. 162.30 162.00 161.70 161.80
Jan. 162.20 161.60

AFTERNOON
Aug. 163.30 163.40 163.50 163.60
Sept. 164.80 164.70 164.60 164.90
Oct. 164.90 165.00 165.10 165.30
Nov. 163.00 163.20 163.10 163.40
Dec. 161.80 162.20 162.00 162.30
Jan. 161.80 161.90 161.80 162.00

COTTON "HANKOW" STANDARD

MORNING
Month
Delivery Opening Second Third Closing
Aug. 31.90 31.85 31.85 31.90
Sept. 32.65 32.60 32.60 32.60
Oct. 33.65 33.60 33.55 33.60
Nov. 33.70 33.65 33.60 33.65
Jan. 33.85 33.80 33.80 33.80

AFTERNOON
Aug. 31.80 31.80 31.90 31.90
Oct. 32.55 32.50 32.55 32.60
Nov. 33.50 33.60 33.55 33.70
Dec. 33.65 33.60 33.65 33.70
Jan. 33.75 33.70 33.65 33.90

A WELL-KNOWN TELEGRAPH OFFICIAL



Mr. JAMES INCE,
Superintendent of the Eastern Extension.

SHANGHAI MARKET REPORT

Cheap Japanese Piece Goods Now Flooding the Up- Country Centres

Aug. 3

Probably the most important feature of the markets this week is the better tone which has obtained in exports. More inquiry has come forward for various lines of China produce, while activity in the silk market has also been greater.

So far as piece goods are concerned the fact of greatest interest to note is that Japanese supplies are now flooding the consuming centres. It looks as if the strike in Lancashire, unless settled quickly, will afford another opportunity for Japanese manufacturers to substitute their qualities of goods.

Deliveries of yarn from the local mills continue satisfactory for the time of the year.

Piece Goods

The inquiry for Greys and Whites during the week has, as was anticipated, been much reduced, and holders of stocks will obviously have to be content with whatever small sales can be effected during the off-season, which generally continues until October. Local values for these qualities offer no inducement for forward operations, and consequently business is not looked for.

Larger inquiries are being made by the trade for Velvets, Black Italians, Venetians and coatings, and although more sales are reported, the prices realized are not satisfactory when compared with the actual cost or the cost of replacement. It is actually stated that hardly any of the lines now being sold cover the cost, unless the seller holds exchange contracts at much higher rates than those ruling to-day. Added to this the consuming centres are unable or unwilling, apparently, to improve their price level, so it is not expected that any early improvement in business can take place.

One important factor in the situation is to be found in the heavy and cheap Japanese supplies now reaching all consuming centres. Japanese black coating seem to be going freely to all districts, and as a result it is not possible to interest dealers in stocks of black twills or imitation Venetians except at cost price. It has to be pointed out that Japanese cloths are now generally firmer owing to the hardening of the yen exchange rate. Local prices for the Japanese coating "Two Boys and Stag" are up from 24 1/2 to 24 3/4, sales having been made at the last price, and there is now talk of 25. The Eastern Textile Association's coating "Mandarin Boy and Fish" is at the same time clearing in larger quantities and prices have been raised to 22 1/2 with every prospect of a further advance very shortly.

Local houses are without information as to the strike in Lancashire, but it is generally considered that if prolonged it will have the effect of firming up certain stock lines. It must be remembered, however, that with Japan always ready to meet the needs of the market, the effect of the strike may be far-reaching.

At the Kungping auction on Tuesday trade was confined entirely to dyed goods. The north did little buying, but local demand and from the Yangtze was average, with the result that prices for Italians and Venetians were steady. Greys and Whites sagged.

A total of 267 packages was disposed of at the Yuenfong auction on Thursday. Black cotton Venetians were probably the brightest part of the market, and, supported by quite a good demand from Hankow, they appreciated about 1 1/2 mace on the average. Velvets were inclined to be stronger, and it would seem in regard to these goods that deliveries have commenced in earnest and good clearances have been made during the past week. The tone for Italians was a little on the easier side, but the drop was confined to 1 mace. Greys and Whites were quite erratic, fluctuations both ways being quite large in certain qualities. The principal feature in Whites was rather firmer prices for pure finished goods, and in this connection it is interesting to note that the past week has seen the biggest shipment to Korea since last August. Deliveries have been a little better this week, but the market is generally very dull and uninteresting.

Silk

There has been a fairly active silk market during the week, a fair demand being experienced both from Europe and America as a consequence of which prices here are firmer.

It is understood that the turnover has amounted to about 2,000 bales.

Japan is reported steady.

Produce

The general tone of the produce markets is better than has been the case for some time, as considerably more inquiry is coming forward, principally from Europe.

The markets are steady with the exception of bristles, the price of which has again declined, but even at the present lower selling levels buyers abroad show no inclination to purchase.

Native sellers of liquid hen yolk have to a large extent withdrawn. Inquiries for new season's sesamum seed are coming forward, but as is usual at this period sellers' and buyers' ideas are out of line.

Cotton, Yarn, Etc.

On the local Cotton Exchange yarn is somewhat higher on the week, while cotton is rather firmer for forward delivery. American cotton has advanced about 40 points, probably on reports of drought in certain sections of the

cotton belt and of the boll weevil menace.

Deliveries from the mills have been fairly satisfactory for this time of the year.

Messrs. J. Spunt & Co. in their weekly cotton market report state:

China Cotton.—The firm tendency in our market continued during the past week, and prices showed a further advance of Tls. 0.25 to Tls. 0.50 per picul. The movement was rendered more vigorous by the covering of shorts, which was influenced by the steady advance in American and Indian markets coupled with the not too favourable climatic conditions now prevalent for the domestic growth of the new season crop as well as by the operations of the local bull clique. Whatever may be the ultimate object of these operations, their influence has been one of the controlling factors in the market, and has brought about a moderate revival of bull speculation on the part of the outside public.

Weather reports from the various districts in the China cotton belt are not very encouraging, as latest news indicates too dry areas whereas scattered rains are urgently needed.

As to the trend of the market in the immediate future, there is nothing visible at the moment to support expectations of any recession, and should the rates in American and Indian markets continue in their upward course, prices of the local staple will naturally move in the same direction.

Yarn.—The market during the past week has been keeping steady to firm, and prices advanced from Tls. 1 to Tls. 2 as compared with those of last week. New business for export has been booked some 8,000 to 9,000 bales in all counts and chops during the week under review.

Black Teas

Keemun.—The market continues moribund. The Chinese persist in demanding prices which no market will pay and will probably sell at very low prices later on when the quality has deteriorated.

Ningchows.—Practically nothing left.

Hankow Teas.—Market is quiet owing to the absence of Russian buying. It is difficult to see what other markets can absorb the quantity remaining.

Green Teas

Chunmees.—Demand continues very strong for anything with quality. Teenkais are selling without change of price, and any tea showing quality is immediately snapped up, while glazy kinds must be quoted Tls. 5 up.

Sownees of all grades are in demand. Pingsneys.—Business remains moderate and, until there is some more definite information as to supply, no improvement is looked for.

EWO COTTON MILLS, LD.

Interim Dividend Declared

At a meeting of the directors of Ewo Cotton Mills Ltd. yesterday morning it was decided to declare an interim dividend of 40 candareens per share payable on August 23.

AMERICAN COTTON

Messrs. Anderson, Clayton & Co. yesterday quoted the following prices for American cotton, August shipment:—

	Cts. per lb. c.l.f.	wharf
Strict Middling	22.24	52.80
Middling	21.94	52.10
Strict Low Middling	21.34	50.50

Messrs. Anderson, Clayton & Co's quotations for week ending August 2, August shipment, Middling 7/8 inch were as follows:—

	Tls. per lb. c.l.f.	wharf
July 27	21.62	51.15
" 29	21.56	51.15
" 30	21.64	51.40
" 31	21.63	51.40
Aug. 1	21.90	52.00
" 2	21.94	52.10

The following market report has been received from Messrs. Anderson, Clayton & Fleming, New York, dated August 1:—

Review of the week.—Weather generally favourable with prospects for large yield; but heavy infestation boll weevil and possibility of unfavourable weather within next few weeks is inducing speculative buying and is steadying domestic piece goods trade. Some improvement in demand for spot cotton.

LATEST RUBBER QUOTATION

	London	New York	S'pore
Aug. 1st	11 1/2	21 1/2	21 1/2
Closing	11 1/2	21 1/2	21 1/2
Sept. 1st	11 1/2	21 1/2	21 1/2
Oct.-Dec. 1st	11 1/2	21 1/2	21 1/2
Firm	Steady	Quiet	Quiet

THE SHANGHAI EXCHANGE MARKET

Conditions Monotonously Unalterable During the Week: Market Unaffected by Heavy Purchases on the Part of a Local Company

The following review of the Shanghai exchange market deals with the week ending July 27:—

One might appropriately try to vary the title of a recent successful German literary effort "No News from the West," by substituting the word "East" in its special bearing on exchange. Conditions are monotonously unalterable, even as regards the price level of yen and gold bars; and this says a good deal.

On the morning of July 25, one of the large local concerns bought from \$500,000 to \$600,000, without materially affecting the market. This fact might serve as an argument that after all silver is not so weak. On the other hand it must be pointed out that signs of real strength are still lacking. An argument in support of this theory is to be found in the attempt on the part of all banks to exchange as much as possible of their silver funds here against early remittances of gold currencies to their credit abroad. Differences in exchange for forward delivery are not only being fully maintained, but show signs of growing. The actual market difference between August and October in Shanghai is 5/10d. and/or 2 U.S. \$ in the T.T. rate, a fine which banks may sooner be inclined to pay than to receive. The movement is, after all, to be considered merely a vicious circle, since the silver funds disbursed by one financial institution wander into the coffers of another bank. As long as specie does not leave Shanghai, there can hardly be an amelioration of the situation.

After a long interval there was a transaction in effective gold bars recorded on Thursday last, when a foreign bank purchased a moderate amount for export abroad. At the close of the week interbank rates were as follows:—

Aug. 22. 47½ G. 58½ Y. 70½
Dec. 22. 42½ G. 58½ Y. 70½

Exports and Exchange

During recent weeks articles for export from Shanghai were principally silk and tea. Silk moves sporadically and is not as active as during the last season. Tea made an excellent start, farmers getting very good prices, but unfortunately recent political events threaten to bring about a serious crisis in the tea trade of China.

For decades Russia has been the largest single buyer of China teas, but during recent years there have been happenings (even in peaceful times) which acted as a formidable obstacle to the development of the tea trade with Russia. The latter country has thus been obliged to turn to other markets and has by now become a formidable buyer in the markets of Calcutta, Colombo,

Java and latterly also Japan. Ever-increasing quantities of tea are being acquired in these places to the detriment of China teas.

If one takes into account that China has been the originator of tea one wonders why no progress is being made in the maintenance of the lead. All the other sources are forging ahead from year to year to the detriment of China, a fact which causes genuine regret to the well wishers of this country.

Tea

In consideration of the importance of the subject it will be permissible to give a brief sketch here of the career of tea in China and a comparative statement regarding its present status.

The importation of tea from China into England was first undertaken by the British East India Company in 1687, whose first shipment comprised about 5,000 lb., a quantity which appears to have glutted the market for several years.

However, by the end of the 17th century, the import of China tea into Great Britain averaged about 20,000 lb. per year. By the end of the 18th century the consumption of tea in Great Britain averaged 2 lb. per person per year. In 1867 China supplied about 90 per cent. (according to Mr. H. B. Morse) of the 190,000,000 lb. consumed then in Europe.

About 1875 China teas found serious rivals in India and Japan, the former chiefly serving England, the latter supplying America with green teas. In 1871 the export of tea from China represented 54 per cent. of the total value of China's exports. To-day tea ranks at about 34 per cent. of the total value of exports from this country.

In the course of the middle seventies of the past century Russia took rank as the largest importer of China teas, replacing Great Britain. Until 1887 tea as an article of export from China stood first on the list; in that year its place was taken by silk which commodity, ten years later, was exported to a value double of that of tea. Towards the close of the last century the value of China's tea exports amounted to only 16 per cent. of her total exports, in 1913 it had fallen to 8.4 per cent.

Russia as Consumer of China Teas

The importance of Russia as a buyer of China teas grew from year to year. The consumption, however, fell off during the few years following the establishment of the new régime in that country. The following table indicates the export from China of tea to Russia. Figures are in piculs (at 13½ lb.) and are from Customs reports. The figures for 1927 and 1928 have kindly been supplied to the writer by the exporters here.

Year	Black Congous	Green Congous	Tablet Tea	Black Brick Tea	Green Tea	Leaf Tea	Total piculs
1912	256,422	68,259	8,499	342,646	163,780	—	839,606
1913	220,845	69,456	9,828	430,740	175,198	708	898,475
1914	240,837	62,681	12,145	346,774	236,974	42	889,458
1915	401,926	88,323	30,712	390,074	251,036	1,132	1,163,223
1916	320,693	131,652	26,669	396,368	163,804	5,854	1,055,040
1917	256,651	25,727	7,917	223,041	220,309	2,288	735,933
1918	18,657	2,227	—	65,223	11,418	2,601	100,226
1919	23,094	171	1,442	131,824	8,803	6,924	172,558
1920	3,204	22	—	8,340	—	400	11,966
1921	1,234	76	—	12,724	11,635	567	26,236
1922	5,331	342	—	20,209	1,712	—	27,594
1923	5,510	114	—	6,425	25	146	12,220
1924	31,410	6,910	—	10,809	4,323	24	53,476
1925	115,538	18,371	—	102,881	37,727	35	274,552
1926	48,255	44,011	—	83,314	51,064	—	226,644
1927	76,077	62,253	—	110,593	108,162	—	357,085
1928	77,228	62,816	—	188,215	116,913	—	445,172

It will thus be seen that the export of tea from China to Russia is very large indeed. The principal exporters of this commodity, the Centrosyus, Ltd., has an annual turnover of between Tls. 16,000,000 to Tls. 18,000,000 for tea from China to Russia alone. Due to prevailing conditions this concern has abruptly

ceased to purchase further quantities here, thus inflicting much damage to tea producing interests in China.

In order to show the export capacity of the principal tea producing centres, and to enable a comparison with China, the following figures, relative to the annual export of tea, are cited:—

Season	India	Ceylon	China	Java	Total lb.
1927-1928	370,904,000	231,626,000	116,290,000	130,024,000	848,845,000
1928-1927	362,881,000	221,224,000	111,909,000	115,070,000	811,084,000
1926-1925	337,314,000	212,665,000	111,067,000	99,915,000	760,963,000

Japan exports tea to the value of about 11 million yen per annum, while Formosa exports about the

same amount. Sumatra exports about 18,000,000 lb. of tea a year.

CHINA'S EXPORTS TO AMERICA

Ninety Million Dollars Value for First Six Months

A table compiled at the American Consulate-General shows the declared exports from the whole of China to the United States for the month of June 1929 and the first six months of the present year. The following are the values, of the different classes of goods mentioned.

	June Six months ending June 30,	1929
Meats, fish and animal products	1,551,050	5,345,480
Hides, skins, furs, etc.	3,690,242	27,957,860
Grains, vegetables, fruits, etc.	429,610	5,966,130
Curdle drugs, vegetable oils, etc.	2,560,391	11,788,738
Cotton, flax, silk, etc.	5,860,067	34,699,145
Wood and paper	57,385	375,902
Glass, clay, etc.	116,920	495,008
Iron, steel, ores, etc.	333,102	3,628,120
Chemicals, soap, etc.	47,971	844,094
Books, art works and miscellaneous articles	54,144	384,507
Grand total	14,710,196	90,576,599

AMERICAN BUSINESS CONDITIONS

Heavy Output of Manufactures Reported for June

N.C.D.N. SPECIAL SERVICE

Washington, July 28.

Business in the United States is progressing at a good rate, says a financial review issued to-day by the Federal Reserve Board.

The output of manufactures in June was heavy.

Minerals declined.

The level of commodity prices advanced.

There was the usual seasonal decline in steel.

Automobile production was under normal for May and June, and silk mill activity also showed a decline.

Production of cement, leather and shoes increased, and the production in these industries exceeded that registered in other recent years.

Factory employment payrolls exceeded those in 1928.

Construction contracts showed a decrease of 12 per cent. as compared with the first semester of 1928.

During the first half of July there has been some reduction in the output of cotton, textiles, iron, steel, lumber and coal, the statement said.

July building contracts in the United States show an increase over 1928.—United Press.

THE SHANGHAI SILK MARKET

In their weekly report on the Shanghai silk market, Messrs. William Little & Co. state:—

A small business has been done during the week, prices being easier. Tusshah Filatures 8 coc., Tsatlee new style filatures and Shantung filatures extra are all down Tls. 10. In steam filatures about 400 bales have been booked for America.

Cables from Japan quote Filature No. 1, Yen 1,315.

Tsatlee New Style Filatures.—Sun Sun Ex. 1. Tls. 687½, Gold Eagle Skeins 1, 2. Tls. 660. Common Tls. 652½/650.

Steam Filatures.—Ex. B Ex. 1, Tls. 1015 av. Fishes Brand Ex. 1, 12/22, Tls. 1,025. NTK 2 12/22, Tls. 1,035. Bayard 13/22, Tls. 1,035.

Yellow Shantung Filatures.—Fairly 1 13/15, Tls. 1,030. Ex. C. 1 13/15, Tls. 960.

Tusshah Filatures 8 coc.—Extra A. 12, Tls. 455 av. Extra B. 1, Tls. 420.

Settlements

1929. 1928. 1927.

Europe, etc., White piculs, piece, piece.

Europe, etc., Yellow piculs, piece, piece.

America, etc., White piculs, piece, piece.

Stk. in Shanghai, White piculs, piece, piece.

Stk. in Shanghai, Yellow piculs, piece, piece.

Stk. in Shanghai, Tusshah Filatures piculs, piece, piece.

SHANGHAI SHARE MARKET

Review of Business During Past Week: Slight Rise in Rubber. Cottons Steady and Greyhounds Quiet

Reviewing the Shanghai share market for the week ending July 27, Messrs. A.W. Reynell & Co., write as follows:

Rubber

There was a slight rise in raw rubber during the week and closing prices showed an advance of 5/16d. over the previous week. All private telegrams from London and New York still contain bullish sentiments for the autumn, despite the fact that some manufacturers are cutting the price of second grade tyres. Stocks in the United Kingdom now stand at 35,547 tons showing an increase of 339 tons. The forecast for the current week is 6/700 tons down.

	1929	High	Low	July 27
London	1/4	8 1/2	11 1/2	11 1/2
New York	2 1/2	17 1/2	21 1/2	21 1/2
Singapore	45	20 1/2	36 1/2	36 1/2

The share market remained firm throughout the week with buyers predominant and most stocks registered an appreciable rise on last week's closing prices. The heat combined with the usual summer slackness and a fair number of brokers and operators leaving for cooler climes has had the effect of restricting business to a certain extent.

Industrials

Cottons—The northern political trouble has had the effect of keeping all cottons fairly steady despite the bullish undertone. Threats of trouble on August 1 which might possibly lead to industrial difficulties has had a further damping effect. Ewos were dealt in at Tls. 14. 70/80 cash, closing with buyers at Tls. 14.75 cash and Tls. 15.05 September, whilst shares for December were not easy to pick up under Tls. 15.30.

Shanghai Cottons were fairly quiet, the cash rate being about Tls. 78.50 whilst a few shares were obtainable at Tls. 82 December.

Zoong Sings after being done at Tls. 9.35 September fell away to Tls. 9 September, with buyers

offering Tls. 8.80 for cash without success and at the close Tls. 9.10 was offered for September.

Shanghai Lands have buyers at Tls. 151 but not much scrip is likely to come out until after the interim dividend.

Shipping, Etc.

Shanghai Wharves at Tls. 178 fail to attract sellers, and Shanghai Tugs cannot be bought in large quantities at Tls. 76.

Shanghai Docks—After a few July shares came out this market closed firm with buyers at Tls. 132.50 X.D., a price that we expect will be improved upon later.

China General Omnibus had a quick spurt during the week, going from Tls. 14.10 to Tls. 15, nearly a tael rise. There is no doubt that this company is making money and we do not consider the shares expensive at ruling prices.

Shanghai Trams dropped a few mace with buyers offering Tls. 19.40 at the close with sellers at Tls. 19.75 despite the fact that quite a number of September shares changed hands at Tls. 19.50.

Shanghai Waterworks—All Waterworks shares remained firm with no change in price, the strike not creating any desire to sell. Fittings were done at Tls. 1.50, with closing buyers at Tls. 1.47½.

New Engineering Ord. are quite steady and shares around Tls. 7. are quickly taken, whilst preference are unobtainable at Tls. 5. 35.

Greyhounds

All shares are easy with little business passing. G.R.A. Ord. close with sellers at \$15.25, S.I.G. at \$10.60 September and Champ de Courses at \$34 cash. Despite good turnovers, there is still an undercurrent of uneasiness regarding all greyhound companies.

Debtors

There has been a strong demand for all issues during the week and buyers are still unsatisfied at current rates.

WHOLESALE PRICES IN NORTH CHINA

Average of Index Numbers To-day in Comparison with Previous Figures

The Nankai Weekly Statistical Service publishes the following table of index numbers of wholesale commodity prices in north China, the basis being the figure of 100, compiled in 1926:—

By Industries:	Week Ended			
	July 17	July 19	June 4	Year Ago
Foods	117.83	117.50	114.51	117.38
Cloths and clothing	109.83	109.10	109.69	105.91
Metals and metal products	103.50	104.11	102.89	98.11
Building materials	107.63	107.78	107.17	103.45
Fuel and light	108.38	108.28	108.25	109.94
Miscellaneous	112.56	112.56	109.69	110.61
By Stages of Production				
Raw materials	113.57	113.15	110.08	116.33
Farm crops	111.73	109.80	104.76	109.26
Animal products	125.94	130.17	127.22	134.73
Forest products	126.32	126.32	126.43	127.83
Mineral products	104.92	104.02	105.05	115.07
Manufactured goods	111.08	111.04	110.87	105.40
Producers' goods	106.15	106.26	105.49	98.73
Consumers' goods	115.15	114.97	115.33	109.90
All commodities	112.14	111.94	110.40	109.88

THE U.S. COMMODITY MARKETS

Rubber Firm with Other Departments Quoting Higher

N.C.D.N. SPECIAL SERVICE

New York, July 31.

Demand sterling was quoted at the close of banking hours to-day at \$4.84 31/32 compared to \$4.85½ yesterday. U.S. bar silver closed at \$52½ compared to \$52½ yesterday.

The price of domestic copper was quoted at 18 cents a pound.

The rubber market closed firm with the following quotations:

Month

Spot

Jan.

Feb.

Mar.

Apr.

May

June

Wheat (Chicago) No. 520 hard, which is accepted as par closed

higher with the following quotations:

Month

Spot

Jan.

Feb.

Mar.

Apr.

May

June

The cotton market (Chicago) closed higher with the following quotations:

Month

Spot

Jan.

Feb.

Mar.

Apr.

May

June

The sugar market closed higher with the following quotations:

Month

Spot

Jan.

Feb.

Mar.

Apr.

May

June

—United Press.

AMERICAN THEATRE DEAL

New York, July 31.

Paramount Famous-Players Lasky to-day announced that it is acquiring the issue of outstanding preferred stock, also 90 per cent. of the common stock, of the Saenger Theatres through the medium of an exchange of stock.—United Press.

YANGTZE RAPIDS STEAMSHIP CO.

Interesting Story of Company's Growth in Six Years

The Yangtze Rapids Steamship Co., Ltd., U.S.A., is the only American company operating as a general carrier on the Yangtze River. It was started in 1923 as a Gorge line venture with one steamer of special design for low water navigation between Ichang and Chungking. This type of ship proved so successful that others were added and by 1925 the Yangtze Rapids Company had demonstrated the practicability of operation during the winter months, a thing hitherto deemed impossible. Just as Captain Plan's first voyage through the Gorges opened up Szechuan Province to the world in the summer, so did the Yangtze Rapids service maintain this open door the year round. Prior to the advent of this American company, Chungking had been cut off from the rest of China from December to May, unless a two months trek by junk were undertaken.

Being the first to put a year-round service into effect, of course, gave the Yangtze Rapids Line considerable momentum from the start, and by 1926 six steamers were in operation on the Upper River, all flying the American flag. During the dark days of the 1926-27 civil war and Red activities, it was the Yangtze Rapids boats that were called upon to evacuate all the refugees from West China. Owing to a pilot strike against British vessels, and because the Japanese line had no low water ships, this American company ran through unprecedented low water, taking out about 2,000 British and Americans without the loss of a single life. For this the company received the official thanks of the British Government. At this time also, it was a Yangtze Rapids master, who brought out H. M. S. Mantis from Chungking when it was thought that it might have to be abandoned in the winter of 1927. The Yangtze Rapids skipper received the thanks of the Admiralty for this action.

Expansion With Peace

When peace was again restored the Yangtze Rapids Co. entered upon a programme of expansion that has just been completed. This programme was one of motorization and the establishment of its through service from Shanghai direct to Chungking. With the five new motor vessels in service under this programme, a new milestone in Yangtze River navigation will have been passed. As the Yangtze Rapids Co. was the first to inaugurate a low water service in the Gorges, so it is now the first to put into operation a regular motor vessel service, and by so doing cut out all transshipment between Shanghai and Chungking. These new types of motor ships are equipped with diesel engines, and are the fastest ships on the Shanghai-Chungking run. Captain Joseph Mielo of the Yangtze Rapids M.V. It made the record run from Chungking to Shanghai last week, doing the trip in five days 22 hours.

In enlarging its fleet, and putting through a direct service the Yangtze Rapids Co. has spent during the last year over Tls. 800,000 without going to the public for funds. No public issue of shares was found necessary. The value of the Yangtze Rapids fleet, 11 vessels, is now over Tls. 2,000,000.

SHANGHAI'S TOBACCO STOCKS

America More Hopeful Owing to Lower Quantities

N.C.D.N. SPECIAL SERVICE

Washington, July 28.

Tobaccoists are moderately encouraged by reports of lowering of leaf stocks in Shanghai, it was learned today.

They point out, however, that exports total 20,000,000 lb. as of the end of May, as compared with 46,000,000 for the previous corresponding period.

Cigarette shipments for the same period came to only 2,718,000 as compared with 3,250,000 pieces for the same period of last year.

Acres in the United States has increased a great deal. This year it declined only 2,000 acres.—United Press.

NEW YORK STOCK EXCHANGE

Trading Bullish and Active: Money Market Easier

N.C.D.N. SPECIAL SERVICE

New York, July 31.

Easier money to-day stimulated the market and trading was brisker on the New York Stock Exchange than was the case during yesterday's anxiety over high calls, says the daily review of the Dow Jones Financial News Service.

U. S. Steel grew stronger on a basis of the report of earnings issued yesterday afternoon. This report helped other issues. At the close, U. S. Steel stood at 206½, the same as the close of the previous day, but Bethlehem had gained from 122½ to 123½.

Trading was bullish and active, although call money remained unchanged at 10 per cent. The general tone of the money market was easier in spite of the high level of calls, and funds were plentiful.

Many spectacular advances were recorded, while there were few losses and they were slight for the most part.

Demand for Coppers and Rails

Coppers were in better demand. Kennecott closed at 86½, up 1½. Anaconda closed at 115, up 1½, and Andes gained a quarter to close at 51½.

Rails were likewise in better demand than was the case yesterday, with New York Central featuring the trading. The close found New York Central being quoted at 234½, an advance of 5½ points over the close yesterday.

Baltimore & Ohio moved up from 132½ to 134½. Erie gained 1½ to close at 83½. Northern Pacific gained 8½ for a close of 119½. Rock Island gained 1.

Radio Corporation of America declined at mid-day, after fairly brisk trading, but rallied later. The close found it quoted at 84½ as compared with 85½ yesterday.

Westinghouse E. & M. common soared, but retreated later and the close found it at 199½, the same quotation as yesterday.

Utilities in Request

Utilities were urgently demanded. Consolidated Gas of New York closed two points up, at 146. Standard Gas & Electric gained 3½ points to close at 135.

Gain of from one to ten points were general, and a few issues showed even greater advances. Sales for the day totalled 3,347,040 shares.—United Press.

Mr. Lu Wen-chun, a local merchant, is stated by the vernacular papers to have sent a letter to the Chinese Ratepayers Association recommending that the Shanghai Municipal Council should follow the example of the Greater Shanghai Social Affairs Bureau by establishing offices in different parts of the Settlement to make loans to the poor to enable them to establish themselves in small business.

THE Amalgamated Street Union of Shanghai has addressed a telegram to Mr. Hamaguchi, the new Japanese Premier, charging the Japanese Government with having secretly instigated its news agencies to carry on propaganda against China since the rupture of the Sino-Soviet relations with the purpose of seizing Manchuria, in the same manner as they seized Port Arthur and Dairen. Such measures, the telegram says, have ceased to produce any effect at the present time when China's national revolutionary movement is placed under the control of the Kuomintang, but, on the contrary, will greatly affect Japanese trade in China. The same organization has telegraphed to General Chiang Kai-shek, suggesting that China should seize the present opportunity to take back the whole of the Chinese Eastern Railway in order to avert a "Red" danger and as a preliminary step towards the rendition of the South Manchuria Railway.

COMPANY MEETING

SHANGHAI DOCK & ENGINEERING COMPANY

The twenty-third annual general meeting of the Shanghai Dock & Engineering Co., Ltd. was held on July 26 at 150 Broadway with the chairman, Mr. G. W. Sheppard, presiding. He was supported by Messrs. A. Widmann, C. A. Peel, H. V. Wilkinson and W. S. Burns. Shares represented amounted to 1,129. The Chairman's speech was as follows:

In my remarks last year I referred to the conditions existing during the year and the difficulties we had to contend with and this year I am glad to be able to report more satisfactory conditions in all our relations.

With the new Government settling down in Nanking to effective and progressive administration, many outstanding difficulties and uncertainties regarding labour and other important factors in our business have been overcome—agitations have been held in check and a more reasoning element have taken their place in trying to improve labour conditions, and though we have had lots of demands and discussions on labour conditions we were able to arrive at satisfactory solutions in all cases without stoppage of work or any displays of feeling, and I feel sure that the relations between employers and workmen are better to-day than they have been for some considerable time.

The Question of Taxation

During the year we had the new Customs tariff introduced and while it tends to seriously increase the cost of repairs and new shipbuilding work in Shanghai by making materials and general cost of living higher and thus handicapping us against Japanese and Hongkong and other shipyards, we hope the Chinese Government will realize in the near future the economic problem involved, not only in reducing our business possibilities but also in retarding the engineering and shipbuilding progress of the Country in general, and will rectify without delay the matter by removing the heavy duties now being imposed on raw construction materials.

I may add that our Company has been teaching Chinese workmen the art of shipbuilding and engineering for nearly seventy years and the men have proved worthy pupils and done credit to all concerned and any act tending to retard the expansion and furtherance in China of such a valuable and indispensable industry as that of shipbuilding and engineering is much to be deprecated.

Some of the Work Done

With reference to working conditions and results, I am glad to say we have been kept quite busy during the year and our dry docks well occupied practically all the time. We completed several new vessels during the year under review including the twin screw passenger and cargo steamer Hsin Yang Maru for service between Ichang and Hankow; also several other vessels for local owners. Repair work included important underwater repairs to the United States Submarine No. 38 in dry dock and reconstruction work on the hull and machinery of the twin screw steamer Fuh Wo. Salvage work included the successful salvage of the twin screw steamer Yung Shin when badly ashore and holed on the Woosung breakwater.

With reference to the immediate present and the future, one ventures opinion only after very careful consideration but I am of opinion that with a continuation of present settled conditions and continued enforcement of law and order in the Pootung district, where most of our works and dry docks are, the future is quite promising for our business.

Satisfactory Accounts

Turning to the accounts, the principal feature is the satisfactory showing for the past year, it is the result of hard work and ability on the part of all concerned and reflects to their credit, and I think we have reason to be satisfied. Plant and buildings have been kept in good order out of revenue and the stock of materials is valued as usual at less than present replacement values.

The special reserve of Tls. 1,250,000—and depreciation account of Tls. 750,000—are shown unaltered, but you will notice in the report that we submit for your consideration, the placing of Tls. 100,000—from the year's working to the special reserve account and Tls. 100,000—to the depreciation account.

Sale of Ground:—During the year we had several inquiries for parts of our ground not actually necessary for our business and we have now sold a portion of the western side of our International Dock property amounting to about 54 Mow with about 331 ft. of frontage to The Asiatic Petroleum Co., and this sale will be further referred to at the special meeting to be held on the termination of this meeting.

The Provident Fund

Your directors have had under consideration the question of earmarking a portion of our investments sufficient to cover the Employees Provident Fund and Employees Deposit Accounts which are shown in the Balance Sheet as Tls. 70,910.47 and Tls. 6,923.04 respectively as a precautionary measure of safeguard for their interests and I feel sure that action in this respect will commend itself to you.

During the year, owing to his departure from Shanghai, Mr. M. T. Johnson resigned his position on our Board and we were sorry to lose his services and the benefit of his sound advice and judgment. Mr. H. V. Wilkinson, D.S.O., accepted our invitation to fill the vacancy and his appointment requires your confirmation.

In accordance with paragraph 92 of the Articles of Association, two Directors, Mr. C. A. Peel and Mr. H. V. Wilkinson retire, and being eligible offer themselves for re-election.

Before moving the adoption of the Report and Accounts I shall be pleased to answer any questions.

There being no questions the following resolutions were proposed and passed unanimously.

That the directors' report and statement of accounts made up to April 30, 1929, as printed and circulated be adopted and passed, and that the directors be authorized to pay a dividend of Tael Seven and Mace Five per share to shareholders on the register at date.

Proposed by Mr. G. W. Sheppard
Seconded by Mr. A. Widmann
That the election of Mr. H. V. Wilkinson as a director of the company be confirmed.

Proposed by Mr. K. H. Martin
Seconded by Mr. B. A. Clarke
That Mr. C. A. Peel and Mr. H. V. Wilkinson be re-elected directors of the company.

Proposed by Dr. A. Korff
Seconded by Mr. B. A. Clarke.
That Messrs. Lowe, Bingham & Matthews be elected Auditors of the Company for the current year at a remuneration of Tls. 1,250 per annum.

Proposed by Mr. K. H. Martin
Seconded by Mr. D. Turnbull
The Sale of Property

The meeting then resolved itself into an extraordinary special meeting at which 1134 shares were represented.

The chairman's speech was as follows:—

Gentlemen:—This meeting has been called this afternoon to lay two propositions before you for your consideration: the first is the reduction of paid up capital from Tls. 75—per share to Tls. 50—per share by a cash return to shareholders of Tls. 25—per share and I wish to explain to you that, as mentioned in my remarks at the annual general meeting just concluded, we have lately sold a piece of ground amounting to about 54 mow at the upper or western side of our International Dock property close to the present Asiatic Petroleum Co.'s property, and we received payment of the purchase price on Wednesday last: the ground was not necessary for our business and the sale of it will not impair our earning powers in any way.

Your directors are keenly aware of the changing conditions in China and realize that the most efficient and successful method of overcoming possible difficulties or unfair competition is to have our

capital kept as low as practicable and on that principle they propose the reduction. It is our proposal to add to the amount received from the Asiatic Petroleum Co. the necessary sum of taels from our available cash in the bank and pay back the reduction of capital of Tael 25—per share.

If the resolution is carried to-day it will be submitted for confirmation as a special resolution at a meeting to be held here on Thursday the August 15 at 3 p.m. If then confirmed, our legal advisers will at once apply to the Court for confirmation of the reduction and proceed with the other formalities.

Payment of the return will be made without delay after the registration.

Increased Directors Fees

The second resolution refers to the director's fees. According to our Articles of Association they are stipulated at Tls. 7,000—per year to be divided among the directors in such proportions and manner as the directors may determine. This sum is the same as when the company was constituted in 1906 and your Directors are of opinion that the amount is not now commensurate with the duties and responsibilities entailed and I have no hesitation in requesting your favourable consideration to the resolution that they be increased to Tls. 12,500—per annum.

The following resolutions were passed unanimously.

1. That the capital of the company be reduced from Tls. 4,177,500 divided into 55,700 shares of Tls. 75 each to Tls. 2,785,000 divided into 55,700 shares of Tls. 50 each and that such reduction be effected by returning to the holders of the 55,700 shares that have been subscribed paid-up capital to the extent of Tls. 25 per share and by reducing the nominal amount of each of the said shares from Tls. 75 to Tls. 50.

2. That the remuneration of the directors shall be increased to Tls. 12,500 per annum and accordingly that the company's Articles of Association be altered in manner following:—

In Article 87 the figure "12,500" shall be substituted for the figure "7,000" from first of May 1929.

The resolutions passed at the extraordinary meeting will be submitted for confirmation to a further Extraordinary General Meeting on the 15th of August for the purpose of considering and, if thought fit, confirming such resolutions.

In proposing the second resolution at the extraordinary meeting, Mr. B. A. Clarke said: "I take great pleasure in proposing this resolution." He then spoke of the good work the directors had done and the many years he had been with the company. He concluded by saying "You can't have good men unless you pay them."

Mr. J. Arnold Dawson, the secretary, proposed a vote of thanks to Mr. W. S. Burns, the managing director of the company.

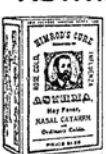
Mr. Clarke proposed a vote of thanks to the chairman and the meeting was closed.

HOTEL CONSTANCE

22-24 LANCASTER GATE, LONDON

A beautifully appointed Hotel for 50 guests. Delightfully situated at a corner, facing South and South-West, in full view of Hyde Park, but standing sufficiently far back from the main road to ensure perfect quiet. Within 3 minutes' walk of Tube Station, and a stone's throw of buses to all parts. The spacious public rooms are exquisitely furnished. All bedrooms have gas fire, bedside reading lamp, running bath and c. water, already in many rooms, is being extended to all. Electric lift, Night Porter. The cuisine will be found entirely satisfactory. Single rooms from 3½ to 6 ns., double from 7 to 12 ns. weekly including full board, attendance, bath, etc. Some rooms have Private bathroom.

Himrod's ASTHMA CURE



Gives instant relief from Asthma, Hay Fever, Colds, Coughs, Catarrh, etc. The standard remedy throughout the world for fifty years.

At all chemists.

(a) No restriction estimated output present financial year. (b) All in Cost. (c) F. O. B. including duty and Shanghai Expenses. (d) F. O. B. only. (e) Estate Cost. (f) Excluding Debenture Interest. (g) Estimated. (h) No tapping due to wintering. (i) Reduced output due to wintering.

CLOSING SHARE QUOTATIONS, AUGUST 2, 1929.

STOCK	Last business done or nominal	Buyers	Sellers	Authorized Capital (Shares)	Issued Capital (Shares)	Paid up Value	Fin. year ended	Last Dividend, etc.	Paid or due
BANKS.									
Hongkong & Shanghai Banking Corpn.	£ 125½ M\$ 1420	...	...	400,000	160,000	H\$125	Dec.	Interim £3. 1929 subject to deduction I/T ...	Pending
Chartered Bank of I. A. & C. London	£ 19½	...	...	600,000	600,000	£5	Dec.	Final 7/- & Bonus 6/3d (mkg. 20/3d 1928) Free of I/T ...	27-3-29
INSURANCE.									
Union In. Society of Canton Ltd.	H\$ 327.50	...	...	200,000	135,000	£4	Dec.	Final 16s. (mkg. 40s.) for 1927, Interim 24s. ½, 1928 ...	25-5-29
Yangtze Insurance Association Ltd.	M\$ 50	...	...	250,000	150,000	M\$10	Dec.	M\$3.50, 1928, Ex. 73 ...	27-6-29
Far Eastern Insurance Co., Ltd.	£ 22	...	...	50,000	36,000	T20	Dec.	T1.40, 1928 ...	27-6-29
Canton Insurance Office Ltd.	H\$ 630	...	...	10,000	10,000	H\$100	Dec.	Final H\$22 (mkg. H\$40) for 1927, Interim H\$18 ½ 1928 ...	23-5-29
Hongkong Fire Insurance Co., Ltd.	H\$ 770	...	...	8,000	8,000	H\$50	Dec.	H\$43. 1927 ...	26-3-29
China Fire Insurance Co., Ltd.	H\$ 285	310	...	20,000	20,000	H\$20	Dec.	H\$9 and Bonus H\$6 for 1927, Interim H\$3 ½ 1928 ...	25-5-29
Assurance Franco-Asiatique	F 300	250	300	14,000	14,000	F500	Dec.	None, Floated 1918 ...	...
Asia Life Insurance Co., Ltd.	G\$ 300	...	...	6,000	1,000	G\$100	Dec.	Incorporated 1921 ...	...
SHIPPING.									
Indo-China S. N. Co., Ltd.	H\$ 49	47.50	...	120,000	49,589	£5	Dec.	Pref. 12/-d @ Ex. 2/0½ = \$5.94% 1924-25	19-6-29
Shell Transport & Trading Co., Ltd.	£ 92/6	...	93/1½	30,000,000	23,651,795	£1	Dec.	Def. 30/- @ Ex. 2/6½ = \$11.90% 1921	24-5-22
Shanghai Tug & Lighter Co., Ltd.	T 76.50	78.50	...	10,000,000	500,000	£1	Dec.	Final 3/- Free of I/T (mkg. 5/-, 1928) Coupon 54 ...	5-7-29
...	T 51.50	51.55	...	10,000	10,000	T50	Dec.	Ord. T5, 1928 ...	11-3-29
...	...	...	...	...	...	...	...	Pref. T3.50, 1928 ...	11-3-29
DOCKS AND WHARVES.									
S'hai Dock & Engineering Co., Ltd.	T 135.50	135.25	...	55,700	55,200	T75	Apr.	T7.50, 1928-29 ...	26-7-29
Hongkong & W'pao Dock Co., Ltd.	H\$ 35	32.50	...	200,000	67,640	H\$50	Dec.	Final H\$2 (mkg. H\$4, 1924) ...	30-3-25
New Eng. & Shipbuilding Works, Ltd.	T 7	7.10	...	500,000	210,000	T5	Dec.	Ord. T0.40, 1928 ...	14-3-29
Shanghai & H'kew Wharf Co., Ltd.	T 179	178	...	40,000	36,000	T100	Dec.	Pref. T0.40, 1928 ...	14-3-29
H'kong & K'loon W. & G. Co., Ltd.	H\$ 127	...	...	80,000	80,000	H\$50	Dec.	Final T8 (mkg. T.11. 1928) ...	9-5-29
...	...	...	...	...	...	...	...	H\$8, 1928 ...	7-3-29
MINING.									
Chinese Eng. & Mining Co., Ltd. "Bearer"	T 25.50	...	...	2,000,000	1,400,000	£1	June	Int. 2/-free of I/T, 1928-29 (Coupon 34)	16-5-29
Chosen Syndicate Ltd. "Bearer"	T 7.60	...	...	500,000	496,500	£1	June	Int. Div. No. 1. 3d. Final Nil.	10-1-28
LANDS AND HOTELS.									
Shanghai Land Investment Co., Ltd.	T 147.50	148.50	...	117,000	117,000	T50	Dec.	Interim T3. 1929 ...	31-7-29
H'kong Land Invest. & Agcy. Co., Ltd.	H\$ 62.50	61.50	62	400,000	240,000	H\$25	Dec.	Final H\$2 (mkg. H\$4, 1928) ...	5-2-29
Humphreys Est. & Finance Co., Ltd.	H\$ 13.25	13.40	...	150,000	150,000	H\$10	Dec.	H\$0.80 and Bonus H\$0.20, 1928 ...	8-2-29
Weihaiwei L. & B. Co., Ltd.	T 1	...	...	3,674	3,674	T20	Dec.	T1.20, 1928 ...	8-3-29
Anglo-French Land Invest. Co., Ltd.	T 156.50	158	...	18,000	13,000	T100	Feb.	Final T6 (mkg. T10, 1928-29) ...	22-3-29
Fonciere et Immobiliere de Chine	T 105	...	...	10,000	10,000	T100	Dec.	8%, 1928 ...	27-2-29
West End Estates, Ltd.	T 4.50	3	...	500,000	191,450	T10	Dec.	7%, 1928 ...	23-4-27
Hongkong & Shanghai Hotels, Ltd.	H\$ 8.30	...	...	1,000,000	796,357	H\$10	Dec.	Final H\$0.60 (mkg. H\$1.20, 1924) ...	8-4-25
Asia Realty Co., Fed. Inc., U.S.A.	M\$ 100	100	...	8,576	8,576	M\$100	Dec.	25%, Cash dividend 1928 ...	18-2-29
Raven Trust Co., Inc.	G\$ 10	...	...	100,000	32,540	G\$10	Dec.	8%, Stock div. in addition to above	3-5-29
...	G\$ 10	...	...	...	32,030	G\$10	Dec.	Ord. 100%, stock div., 1925	20-2-28
...	...	...	...	...	...	...	...	Pref. 7% P.A. (58 quarterly divid.)	1-7-29
PLANTATIONS.									
Alma Estates, Ltd.	T 9.25	9.50	...	70,000	70,000	£1 (T9)	Sept.	Interim T0.25, 1928-29	30-5-29
New Amherst Rubber Estate, Ltd.	T 0.45	0.40	...	500,000	104,962	T1	Oct.	T0.15, 1925/6 ...	12-5-26
Anglo-Dutch (Java) Plantations, Ltd.	T 6	6	...	400,000	350,000	10s. (T4½)	Dec.	Divid. T0.15, 1927 ...	12-3-23
Anglo-Java Estates, Ltd.	T 10.15	10.12½	...	500,000	496,000	10s.	Dec.	Divid. T0.25, 1928 ...	15-3-29
Ayer Tawah Rub. Plantation Co., Ltd.	T 4	4.07½	4.10	500,000	500,000	T1	Sept.	Int. T0.10, 1928-29 ...	14-4-29
Batu Anam (Johore) Rub. Ests., Ltd.	T 1.10	1.10	...	400,000	400,000	T1	Dec.	Final T0.15 (mkg. T0.25, 1928) ...	11-4-27
Bukit Toh Alang Rubber Ests., Ltd.	T 2.15	2.15	...	500,000	500,000	T1	Mar.	Final T0.20 (mkg. T0.30, 1928-27) ...	7-7-27
Bute Plantations (1913), Ltd.	T 1.50	1.40	...	500,000	300,000	T1	Dec.	Divid. T0.05, 1927 ...	3-4-28
Chemor United Rubber Co., Ltd.	T 2.20	2.20	...	400,000	400,000	2s. (T0.30)	Dec.	Divid. T0.08, 1928 ...	18-4-29
Chempedak Rub. & G'ber Est., Ltd.	T 9.50	9.30	...	35,000	27,305	£1	Oct.	Final T0.75 (mkg. T1.25, 1928-27) ...	16-1-28
Cheng Rubber Estates, Ltd.	T 1.35	1.35	...	675,000	274,875	T1	June	Final T0.08 (mkg. T0.18, 1926-27) ...	15-9-27
Consolidated Rub. Estates (1914), Ltd.	T 4.20	4.25	...	500,000	375,000	2s. (T0.75)	Dec.	Interim T0.10, 1929 ...	Pending
Dominion Rubber Co., Ltd.	T 4.75	4.90	...	350,000	166,745	T1	Dec.	Divid. T0.10, 1928 ...	5-4-29
Gula-Kalumpang R.E. old fully pd.	T 13	...	...	750,000	665,000	£1	Dec.	Divid. 1/6d. 1928 less I/T 4/ in £ (Coupon No. 29) ...	10-4-29
Java Cons. Rub. & Coffee Est., Ltd.	T 2.82½	2.85	...	850,000	750,000	2/-	Dec.	Divid. T0.10, 1928 ...	18-3-29
Kali Gildik Coffee Estates, Ltd.	T 5.25	5	5.50	100,000	100,000	T5	Dec.	T1, 1926 ...	19-4-27
Kapayang Rubber Estates Co., Ltd.	T 13.50	...	...	15,000	14,800	T10	Dec.	Divid. T1, 1927 ...	14-12-27
Kota Bahroo Rub. Est. (1921) Ltd.	T 1.30	1.30	...	390,000	390,000	T0.75	June	Final T0.15 (mkg. T0.22, 1926-27) ...	3-10-27
Kroewok Java Plantations, Ltd.	T 3.15	3.25	...	700,000	550,000	2/- (10.86)	Dec.	Divid. T0.15, 1928 ...	20-3-29
Padang Rubber Co., Ltd.	T 0.95	0.92½	1	500,000	500,000	T1	Apr.	Divid. T0.06, 1928-29 ...	19-7-29
Pengkalan Durian Estate (1921), Ltd.	T 1.85	1.85	...	150,000	150,000	T1	Mar.	Divid. T0.10, 1928-29 ...	16-7-29
Pernata Rubber Estate, Ltd.	T 4.25	4.70	5	50,000	45,317	T5	Oct.	Final T0.40 (mkg. T0.65, 1926-27) ...	2-2-28
Repah Rubber & Tapioca Ests., Ltd.	T 1.85	1.82½	1.90	500,000	450,000	T1	Dec.	Divid. T0.05, 1927 ...	1-11-27
Samagaga Rubber Co., Ltd.	T 1.40	1.40	1.50	600,000	411,000	T1	Sept.	Final T0.07 (mkg. T0.13, 1928-27) ...	20-12-27
Semambu Rubber Ests., Ltd.	T 1.42½	1.35	...	300,000	300,000	T1	Dec.	Divid. T0.05, 1928 ...	19-...
Semawang Rub. Ests., Ltd. ordinary	T 3.05	3.07½	...	300,000	285,000	T1	Jan.	Divid. T0.20, 1928-29 ...	25-...
Co. (1921), Ltd. 12% cum. pref.	T 2.57½	2.60	...	100,000	33,943	T1	Sept.	Interim T0.05, 1928-29 ...	5-7-29
Shanghai Kedah Plantations, Ltd.	T 1.10	1.07½	1.10	350,000	350,000	T1	Dec.	Divid. T0.05, 1927 ...	8-10-28
S'hai Kelantan Rub. Est. (1925), Ltd.	T 1.17½	1.17½	...	315,000	313,613	T1	Dec.	Divid. T0.04, 1928 ...	12-4-29
S'hai Klebang Rubber Estate, Ltd.	T 11.50	...	...	30,000	30,000	T10	Dec.	Final T0.10 (mkg. T0.40, 1928) ...	16-4-28
S'hai Malay Rub. (ord.)	T 14	12.75	...	30,000	27,380	T10	Dec.	T8%, 1928 ...	4-4-29
S'hai Pahang Rubber Estate, Ltd.	T 1.85	1.85	...	200,000	200,000	T1	June	Final T0.15 (mkg. T0.22, 1926-27) ...	16-9-27
S'hai Seremban Rub. Estates, Ltd.	T 1.35	1.35	...	325,000	325,000	T1	Dec.	Divid. T0.03, 1928 ...	12-4-29
S'hai-Sunatru Rubber Ests., Ltd.	T 11.50	12	...	120,000	76,956	T5	Oct.	Interim T0.25, 1928-29 ...	Pending
Sua Manggis Rubber Co., Ltd.	T 1.50	1.37½	...	280,000	270,000	T1	Dec.	Divid. T0.06, 1928 ...	5-4-29
Sungala Rubber Estate, Ltd.	T 1.65	1.65	...	150,000	150,000	T1	Mar.	Divid. T0.10, 1928-29 ...	20-6-29
Sungai Duri Rubber Estates, Ltd.	T 13.50	14.25	...	40,000	40,000	£1 (T8.50)	June	Final T1.50 (mkg. T2, 1926-27) ...	28-9-27
Taipung Rubber Estates, Ltd.	T 0.87½	0.85	...	200,000	200,000	T1	Dec.	Final T0.10 (mkg. T0.15, 1926) ...	30-4-27
Tanah Merah Estates (1916), Ltd.	T 1.62½	1.62½	...	1,500,000	1,300,000	T1	Mar.	Divid. T0.08, 1928-29 ...	21-6-29
Tebong Rubber Estate, Ltd.	T 3.10	3.10	...	750,000	710,000	T1	Jan.	Div. T0.15, 1928-29 ...	25-4-29
Ziangbe Rubber Co., Ltd.	T 10.05	10	...	300,000	250,000	10s. at 2/5	Dec.	Divid. T0.40, 1928 ...	21-3-29
COTTONS, ETC.									
Ewo Cotton Mills, Ltd. ordinary	T 15.60	15.15	15.40	1,000,000	900,000	T5	Dec.	Ord. T0.60; 1928 ...	14-3-29
do. 8% cum. pref.	T 106	106.50	...	10,000	9,000	T100	Dec.	Pref. T8, 1928 ...	14-3-29
Shanghai Cotton Mfg. Co., Ltd. old	T 80.50	81	...	80,000	80,000	T50	Apr.	T2, half year to 30-4-29	29-5-29
do. new	T 45.50	46.50	...	40,000	40,000	T25	Apr.	T1, half year to 30-4-29	29-5-29
Zoong Sing Cotton Mills, Ltd.	T 9.10	9.15	9.25	200,000	150,000	T10	June	T0.60, 1925-26 ...	7-10-26
INDUSTRIAL.									
China Im. & Ex. Lumber Co., Ltd.	T 350	...	...	5,000	5,000	T100	Feb.	T8, 1927-28 ...	31-5-28
China Sugar Refining Co., Ltd.	H\$ 0.95	0.90	...	80,000	80,000	H\$25	Dec.	In Liquidation ...	...
Gordon & Co., Ltd.	T 25	...	...	6,000	4,757	T25	Feb.	T1.25, 1928-29 ...	26-4-29
Green Island Cement Co., Ltd. (corn)	H\$ 9.10	9.10	...	400,000	400,000	H\$7.50	Dec.	H\$0.80 on old shares, 1925 ...	...
do. (new)	H\$ 7.50	7.75	...	400,000	400,000	H\$1.00	Dec.	H\$0.10 666 on new shares, 1925 ...	17-3-26
Maatachappij, etc., In Langkat	T 9.50	9.45	9.50	250,000	250,000	Fls. 10	Oct.	Divid. T0.50, 1926-27 ...	5-4-28
Shanghai Loan & Investment Co., Ltd.	T 4.40	4.37½ (comb. T16)	4.47½ (comb. T15)	250,000	250,000	T5	Dec.	T0.75, 1926 ...	15-2-27
S'hai Exploration & Develop. Co., Ltd.	T 1.97½	1.85	...	600,000	697,251	T5	Dec.	...	...
Major Brothers, Ltd.	T 5	...	...	6,000	5,500	T20	Dec.	...	...
Shanghai Gas Co., Ltd.	T 56	55.50	...	50,000	36,000	T50	Dec.	Interim T2, 1929 ...	Pending
S'hai Waterworks Co., Ltd. Regd. "A"	T 230	230	...	40,236	40,236	£20	Dec.	Int. Div. 15/- 1929 (Coupon No. 31) at Exch. 2/4½	25-7-29
do. Regd. "B"	T 8.30	8.30	...	195,280	108,505	£1	Dec.	Int. Div. 9d, 1929 (Coupon No. 4) at Exch. 2/4½	25-7-29
do. Regd. "C"	T 8.50	8.50	...	250,000	...	£1	Dec.	Int. Div. 6d, 1929 (Fully Pd)	25-7-29
do. 8% "C"	T 8.90	8.75	...	250,000	...	£1	Dec.	Int. Div. 3d, 1929 (10/-Pd)	25-7-29
S'hai Waterworks Fittings Co., Ltd.	T 1.45	1.50	...	600,000	201,187	T1	Dec.	8%, 1928 ...	20-3-29
STORES.									
Hall & Holtz, Ltd.	M\$ 8	...	...	28,000	26,342	M\$20	Feb.	M\$0.60, 1927 ...	31-5-27
J. Llewellyn & Co., Ltd.	M\$ 30	...	...	1,200	1,200	M\$60	Dec.	\$6, 1922 ...	12-5-23
S. Moutrie & Co., Ltd.	M\$ 78	...	...	10,000	8,195	M\$50	Mar.	Fin. \$2 & Bonus \$6 (mkg. \$11, 1928-29)	27-6-29
Weeks & Co., Ltd.	M\$ 3	...	...	30,000	21,822	M\$20	Feb.	\$1.60, 1921-22 ...	3

SPORTS AND PASTIMES

SHANGHAI CRICKET

S.C.C. v. B.A.T.

The S.C.C. turned out a fairly strong side against the B.A.T. in a match held on the S.C.C. ground on July 24 and 25 which ended in the B.A.T. team comfortably winning.

B.A.T.

F. Cowherd, c. Reed, b. Thomson 50
A. S. Newcomb, c. Reed, b. Peck 29
F. E. T. Marshall, c. Thomson, b. Gardner 73
H. S. Thorley, c. Webb, b. Thomson 0
J. L. Aitchison, c. Webb, b. Thomson 0
W. F. Foster, H. Langley, E. T. Jones, F. Browning and J. S. Sheridan, did not bat.
Extras 21

Total for 5 wickets... 197

Bowling Analysis

	O.	M.	R.	W.
Peck	12	53	1	
Shooter	3	12	0	
Kenyon	6	33	0	
Thomson	6	44	2	
Gardner	8	34	1	

S.C.C.

H. C. B. Peck, c. Cowherd, b. Langley 40
H. A. Browning, c. Foster, b. Newcomb 1
A. J. Hickmott, c. Jones, b. Newcomb 16
C. E. Thomson, c. Jones, b. Langley 17
G. F. Gardner, c. Thorley, b. Langley 20
D. Webb, c. Sheridan, b. Cowherd 6
H. G. Reed, not out 2
J. D. Shooter, b. Langley 0
J. S. Kenyon, b. Langley 1
M. H. Swaby, run out 2
F. N. Bell, run out 4
Extras 16

Total... 125

Bowling Analysis

	O.	M.	R.	W.
Newcomb	4	32	2	
Thorley	6	22	0	
Cowherd	8	31	1	
Langley	7	24	5	

S.C.C. v. Armoured Car Co.

Despite the fact that the Cricket Club were strongly represented in their league match with the Armoured Car Co. on July 27, they had a harder struggle to record a victory than the margin of three wickets suggests.

Armoured Car Co.

T. A. T. Begg, b. Mansel-Smith 1
H. S. Atkinson, c. Marshall, b. Mansel-Smith 13
J. T. Hegarty, c. Rawsthorne, b. Stokes 31
C. Knight, c. Marshall, b. Mansel-Smith 6
D. W. Leach, c. Mansel-Smith, b. Stokes 49
C. W. Hunter, b. Rawsthorne 13
S. H. Howard, b. Rawsthorne 7
A. L. Piper, b. Mansel-Smith 21
H. E. Orr, b. Stokes 0
H. W. Brady, b. Mansel-Smith 0
R. S. Elliott, not out 2
Extras 11

Total... 158

Bowling Analysis

	O.	M.	R.	W.
Rawsthorne	14	1	47	2
Mansel-Smith	20	3	64	5
Stokes	10	2	28	3
Wilson	3	1	8	

S.C.C.

F. E. T. Marshall, b. Begg, b. Piper 31
O. G. Simpson, b. Leach 11
L. F. Stokes, b. Elliott 11
R. D. Gillespie, c. Atkinson, b. Leach 1
A. J. Baron, c. Atkinson, b. Leach 9
A. C. Sinclair, c. Hegarty, b. Piper 33
N. K. Crawford, not out 44
T. L. Rawsthorne, b. Leach 1
P. J. Wilson, not out 19
W. Mansel-Smith and E. G. Barnes, did not bat.
Extras 0

Total (7 wickets)... 163

Bowling Analysis

	O.	M.	R.	W.
Elliott	15	2	52	1
Leach	22	6	57	4
Piper	10	2	20	2
Orr	3	16		

S.R.C. v. Shaforce

The Shaforce provided the big surprise in league cricket on July 27, by their close victory over the S.R.C. After compiling a total of 140 in the first innings they accounted for the last batsman of the Rees in the final over of the match when the score of 125 was on the board.

Shaforce

W. O. Wilde, b. Wilson 4
L. C. Pressey, c. P. Madar, b. Ollerdesen 5
L. F. W. Clowes, b. Ollerdesen 1
L. C. D'Zoyza, c. T. Madar, b. Wilson 16
Capt. Prest, b. Wilson 62
Capt. Scott, b. P. Madar 62
Bds. Woodley, b. Wilson 3

Pte. Hartnup, b. P. Madar 15
L. C. Hunn, c. Wilson, b. P. Madar 0
Pte. Baxter, c. T. Madar, b. Wilson 0
Sgt. Wright, not out 2
Extras 19

Total... 140

Bowling Analysis

	O.	M.	R.	W.
C. E. Ollerdesen	12	45	2	
T. W. R. Wilson	17	35	5	
S. P. Shroff	2	19		
P. Madar	3.3	22	3	

S.R.C.

P. Madar, b. Capt. Scott 0
S. R. Kermani, b. Lt. Clowes 13
W. E. Palmer, c. Lt. Clowes, b. Capt. Scott 0
M. J. Divecha, b. Lt. Clowes 19
F. V. Read, b. Woodley 37
F. P. Shroff, b. Lt. Clowes 7
T. Madar, b. Lt. Clowes 13
T. W. R. Wilson, st. Wright, b. Capt. Scott 8
C. E. Ollerdesen, c. Wilde, b. Capt. Scott 18
F. C. H. Ollerdesen, c. Pressey, b. Capt. Scott 0
F. R. Kermani, not out 2
Extras 8

Total... 125

Bowling Analysis

	O.	M.	R.	W.
Capt. Scott	15	2	56	5
Woodley	13	3	28	1
Lt. Clowes	12	4	19	4
Capt. Prest	3	14		

Police Regulars v Specials

The Police Regulars managed to gain a fairly easy win over the Specials in the friendly tussle on the Police ground on July 27. Batting first, they compiled 121 for the loss of seven wickets and then declared. The Specials were all out in their innings for 98.

Regulars

H. Ford, b. Hendricksen 8
J. Allan, b. W. Clark 4
A. E. Scott, b. Hendricksen 0
W. T. Laurier, b. Pate 41
T. Darvill, b. Hendricksen 30
B. Boddy, c. Pate, b. Clark 13
F. White, b. Clark 0
J. Crooklake, not out 0
Extras 22

Total for 7 wickets... 121

Bowling Analysis

	O.	M.	R.	W.
Clark	7.2	1	36	2
Hendricksen	11	3	32	3
Chaderton	2	10		
Pate	5	21	2	

Specials

Clark, run out 17
Hendricksen, ct. Carnell, b. White 18
Pate, b. White 18
J. S. Palmer, ct. Carnell, b. White 19
G. Gray, b. Darvill 10
C. J. Merritt, c. Boddy, b. White 3
Chaderton, b. Baker 3
J. G. Gande, b. Boddy 19
R. G. Herbert, not out 11
D. Ferguson, b. Baker 1
T. Buckley, ct. Ford, b. Baker 1
Extras 5

Total... 98

Bowling Analysis

	O.	M.	R.	W.
White	11	2	25	4
Carnell	3	1	10	
Darvill	5	1	18	1
Baker	52	36		
Boddy	3	4	1	

Gardner's XI v Muller's XI

Mr. Gardner's side managed to defeat the team selected by Mr. Muller with a good margin to spare in the friendly match on the Cricket Club ground on July 28.

Mr. Muller's XI 1st Innings

H. A. Browning, c. Wood, b. F. A. Elliott 0
H. S. Dearden, c. Shooter, b. Peck 0
J. S. Kenyon, b. F. A. M. Elliott 0
J. H. Smart, b. F. A. M. Elliott 7
G. B. Elliott, c. Gordon, b. Peck 8
S. C. Riggs, run out 1
A. J. Hickmott, c. Thomson, b. Peck 7
Wilkinson, not out 7
J. J. J. Muller, b. Peck 3
R. S. Elliott, c. Wood, b. F. A. M. Elliott 7
C. Knight, b. F. A. M. Elliott 7
Extras 11

Total... 58

Bowling Analysis

	O.	M.	R.	W.
F. A. M. Elliott	8	3	21	5
H. C. B. Peck	8	2	26	4

Mr. Gardner's XI 1st Innings

K. D. Shottler, b. Muller 18
C. E. M. Thompson, run out 13
J. W. Pote-Hunt, c. Smart, b. Muller 13
T. F. Brady, not out 13
G. S. S. Gordon, not out 7
Extras 8

Total for 4 wickets... 68

Bowling Analysis

	O.	M.	R.	W.
G. B. Elliott	5	1	12	1
J. D. Shottler	6	0	17	0
J. J. J. Muller	6	1	32	2

Mr. Muller's XI 2nd Innings

Wilkinson, b. W. Shooter 1
Smart, b. Shooter 9
Knight, run out 35
Riggs, ct. Gordon, b. Dean 21
G. B. Elliott, c. Foot, b. Dean 6
R. S. Elliott, not out 5
H. S. Dearden, not out 1
Extras 18

Total for 5 wickets... 96

Did not bat, Messrs. Kenyon, Muller, Browning and Hickmott.

Bowling Analysis

	O.	M.	R.	W.
T. G. Brady	4	0	21	0
Shooter	4	0	21	0
Dean	9	28	2	
Foot	3	1	8	0

Mr. Gardner's XI 2nd Innings

Dean, not out 60
L. F. Wood, b. Elliott 12
H. C. Peck, c. Elliott, b. Muller 12
F. A. M. Elliott, not out 15
Extras 12

Total for 2 wickets... 104

Did not bat, Messrs. Swaby, Thompson, Brady, Pote-Hunt, Foot, Shooter, and Gordon.

Bowling Analysis

	O.	M.	R.	W.
G. B. Elliott	6	0	28	1
R. S. Elliott	4	0	22	0
J. J. J. Muller	3	0	17	1
C. Knight	9	0	13	0
J. S. Kenyon	1	0	9	0

Shanghai Area v. "A" Team

The Norfolks lost by 55 runs to the Shanghai Area eleven on July 28, owing chiefly to some good bowling by Pettit and Herbert for the winners, who dismissed the Norfolks for 59, and a good innings by Cate, who contributed 44 runs to the total of 114 made by his side.

Norfolk Regt. "A" Team

Lt. Cpl. Dickerson, b. Pettit 5
Cpl. Nock, c. Pettit, b. Herbert 1
Idson, Woodrow, b. Herbert 16
Lt. Cpl. Sherry, c. Pettit, b. Herbert 6
Bdms. Lee, b. Herbert 1
Sgt. Scames, b. Pettit 7
Lt. Cpl. Hartnup, c. Reynolds, b. Pettit 11
Cpl. Wyatt, c. Deveau, b. Pettit 4
Pte. Curson, not out 1
Pte. Clark, b. Cate 3
Pte. Prentice, b. Cate 2
Extras 2

Total... 59

Bowling Analysis

	O.	M.	R.	W.
Sgt. Herbert	7	9	25	4
Sgt. Pettit	7	2	13	0
S. Cate	1	0	4	2

Shanghai Area

S. Q. M. Matthews, b. Prentice 0
Lt. Cpl. Pressey, c. Curson, b. Prentice 11
Cpl. Davies, c. Dickerson, b. Wyatt 16
Sgt. Pettit, c. Wyatt, b. Hartnup 12
Sgt. Deveau, c. Wyatt, b. Prentice 1
Sgt. Cate, b. Hartnup 44
Sgt. Horve, c. Dickerson, b. Hartnup 7
Cpl. Barrett, c. Clarke, b. Hartnup 9
Lt. Cpl. Webb, b. Hartnup 1
Pte. Reynolds, c. Curson 0
Sgt. Herbert, not out 0
Extras 23

Total... 114

Bowling Analysis

	O.	M.	R.	W.
Prentice	8	22	16	0
Curson	6	1	14	1
Wyatt	5	1	10	1
Sonmes	1	0	5	0
Sherry	3	0	10	0
Dickerson	3	0	10	0
Hartnup	2.3	0	8	5

R.A.S.C. v. R.A.O.C.

After losing three games in succession during the previous week the R.A.S.C. experienced a change in their fortunes by inflicting a heavy defeat upon the R.A.O.C. D'Zoyza was the outstanding player in this game, and gave a fine all-round display. Opening the innings, he scored freely from the opposing bowlers to score 47 before he was bowled, and he later took seven wickets for 32 runs.

R.A.S.C.

D'Zoyza, b. Hoeknell 47
Norris, b. Hicks 8
Hutchinson, c. Underwood, b. Osborne 19
Twidley, not out 53
Cole, c. Home, b. Filer 8
Beresford, c. Hicks, b. Osborne 0
Extras 18

Total for 5 wickets... 149

Williams, Bolton, Payne, Crossman and Vickers, did not bat.

Bowling Analysis

	O.	M.	R.	W.
Hicks	8	1	39	1
Osborne	8	0	23	2
Filer	9	0	36	1
Hoeknell	3	0	19	1
Colborn	2	0	8	0
Kemp	2	0	6	0

R.A.O.C.

Kemp, b. D'Zoyza 0
Hicks, c. Hutchinson, b. D'Zoyza 0
Colborn, c. Payne, b. Twidley 18
Turner, c. Vickers, b. Twidley 9
Filer, b. D'Zoyza 11
Osborne, c. Williams, b. D'Zoyza 11
Underwood, b. D'Zoyza 7
Belham, not out 0
House, c. and b. D'Zoyza 14

Total... 66

Bowling Analysis

	O.	M.	R.	W.
D'Zoyza	8	3	32	7
Bolton	2	0	18	1
Twidley	5	0	13	2

THE FOURTH TEST MATCH

Collapse of South Africans in First Innings: Victory for England by Innings and 32 Runs

Manchester, July 27.

The fourth test match between England and South Africa opened at Old Trafford this morning on a perfect wicket and in fine weather. Six thousand spectators were present.

The English team, as the result of the illness of Tate and Hammond, is composed of A. W. Carr (Captain), R. E. S. Wyatt, Sutcliffe, Bowley, Hendren, Woolley, Leyland, Barratt, Freeman, Duckworth, and Geary, with Sandham as twelfth man.

South Africa is represented by H. G. Deane (Captain), I. J. Siedle, R. H. Catterall, B. Mitchell, H. W. Taylor, D. P. B. Morkel, H. B. Cameron, H. G. Owen-Smith, N. A. Quinn, C. L. Vincent and A. J. Bell, with E. L. Dalton as twelfth man.

The English captain won the toss and sent in Sutcliffe and Bowley to open the innings.

Sutcliffe did not have a chance to get set, being clean bowled by Morkel when he had scored nine runs. Wyatt joined Bowley. At the end of the first half-hour of play the score stood at 34, Bowley having scored 11 and Wyatt 4.

Soon afterwards Bowley, who had scored 13, had his wicket upset by a straight ball from Bell. Woolley joined Wyatt and the two proceeded to make a stand, taking few chances but increasing the score by careful cricket.

When the bell went for lunch the pair were still together, Wyatt having scored 24 runs and Woolley, who played a freer game, having 69 to his credit. The total was 120 for two.

A New Record

Wyatt (24) and Woolley (69) resumed their innings after lunch. The two were associated in a long partnership, and when a separation was finally effected they had added 245 to the score. This is a new record for the third wicket in Test matches between England and South Africa, the previous best third wicket stand, put up by Rhodes and Mead in Johannesburg in 1913, producing 152 runs.

Woolley, who was caught and bowled by Vincent, made 154, his highest score in a Test match, mainly through drives and pulls.

He reached the tapes no less than twenty times. Wyatt then had 104. Hendren filled the breach, but did not stay long, being clean bowled by the left-hander Quinn when he had made twelve.

Leyland joined Wyatt and he had scored two when the tea interval was announced, the scoreboard then reading 317 for 4.

Soon after tea Wyatt received marching orders, being caught by Cameron behind the wicket off Vincent. He played careful cricket for his 113.

Two more wickets fell before the close, Leyland being caught by the wicket keeper Cameron off Mitchell for 55, and Carr being caught by Bell off Quinn for ten.

England's score at the drawing of stumps was 427 for 7, Geary (31) and Barratt (2) being at the crease.

July 29.

Play was not resumed to-day until one o'clock, when England decided to declare their innings closed at 427 for 7. There had been rain during the week-end, and this morning four inspections were made of the wicket, but play was not possible until one o'clock, when Carr decided to take advantage of the tricky wicket and send in South Africa to bat.

This move proved successful, for South Africa were all dismissed for 130 shortly after tea, the only batsman doing anything worth while being Morkel, who scored 63 before he was out b. W. to Geary. Freeman found the soft wicket to his liking and the Kent trundler was remarkably effective, taking 7 wickets for 71 runs.

South Africa fared as badly in the follow-on, and when stumps were drawn for the day they had lost three wickets for 15 runs.

Hickman, b. D'Zoyza 0
Hecknell, b. D'Zoyza 0
Extras 3

Total

MR. MORRISS' LEGER CHANCES

Tom Peartree Flatters by a Good Performance

Mr. H. E. Morris has received a message which will bring his stable still more prominently into consideration for the Doncaster St. Leger, to be run on September 11. The result of the Gratwicke (Produce) Stakes, 1 1/2 miles, at Goodwood, on July 30, was:—

1. Lord Derby's Hunter's Moon.
2. Mr. H. E. Morris's Tom Peartree.
3. Lord Lascelles' Alcester.

Won by a head.

Tom Peartree from the beginning has been recognised as a thoroughly good runner and in training has shown himself to be possessed of splendid staying power. Apparently he was somewhat behind in his training for the Derby and it seemed probable he would have to be held over for next season's cup events. Since then he must have come on in a most gratifying way, for Hunter's Moon (by Hurry On out of Selene) is a runner of proved merit who is highly fancied, and to be beaten by him by only a head is a distinctly good performance. With Artist's Proof also showing up so well, Mr. Morris has a splendid couple to carry his colours in the Yorkshire Classic.

The Latest Betting

N.C.N. SPECIAL SERVICE

London, July 27.

Odds on the Doncaster St. Leger are:—

- 6 to 1 against Hot Week, Trico.
- 7 to 1 against Penny Come Quick.
- 8 to 1 against Hunter's Moon.
- 10 to 1 against Artist's Proof.
- 11 to 1 against Brienz.
- 12 to 1 against Buland Dula, Fosterty.
- 14 to 1 against Bosworth.
- 20 to 1 against Grand Terrace, Haste Away, Mr. Jinks.

—United Press.

THE STEWARDS CUP

Won by Fleeting Memory

London, July 30.

The Stewards Cup—six furlongs—was run off at Goodwood this afternoon with the following result:

- Fleeting Memory 1
- Golden Oracle 2
- Dark Fire 3

Nineteen horses ran. Won by three-quarters of a length, with a neck between second and third.

Betting: 100 to 8 against Fleeting Memory 9 to 1 against Golden Oracle 9 to 1 against Dark Fire

—Reuter.

WINGFIELD SCULLS NEW RECORD

London, July 26.

T. Collet (Leander Club) to-day won the Wingfield Sculls over the championship course, from Putney to Mortlake, in 21 min. 47 sec., which is a new record. D. Guye (London Club) was second, and A. Harvey (London Club) a bad third.

Collet won by one and three-quarter lengths. This is his third successive win.—Reuter.

OBITUARY

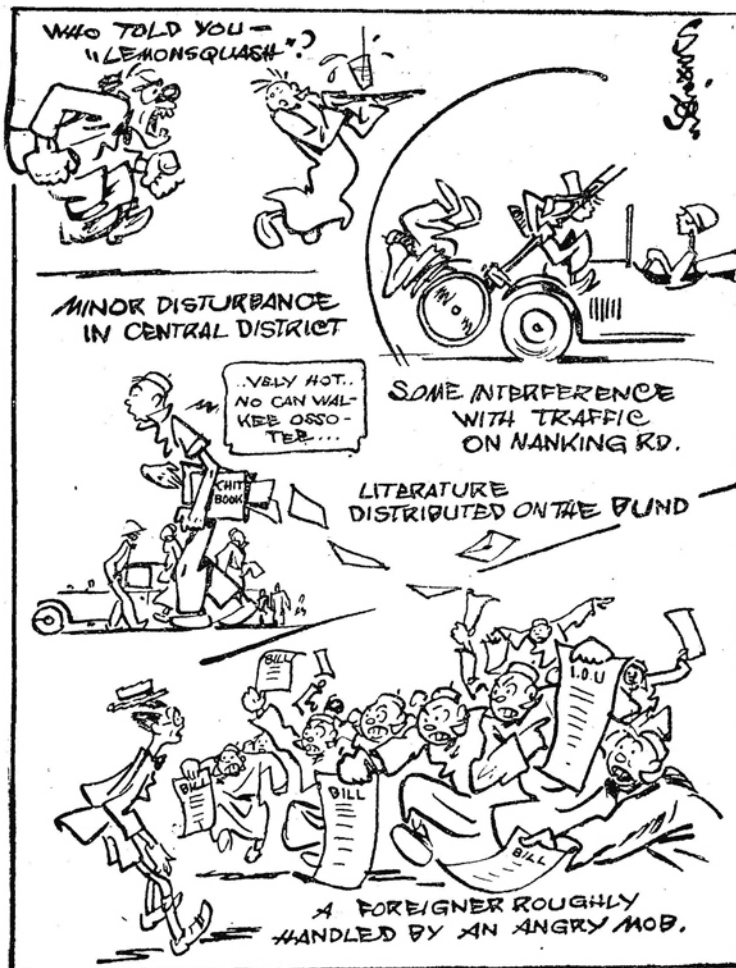
Mr. Sydney Edward Gregory

Sydney, July 31.

The death is announced of Sydney Edward Gregory, the Australian cricketer, who was a member of the Australian team in test matches for a number of years and captain of the team which visited England in 1912.

With G. H. S. Trott at Lords in 1896 he established a record fourth wicket partnership in test matches, the two batsmen scoring 221 before they were separated. Among his other notable innings in test matches were 201 at Sydney in 1894, 117 at the Oval in 1899, and 112 at Adelaide in 1904.—Reuter.

STUDENTS of Chinan University have started a movement for the expulsion of Mr. Cheng Hung-nien, their president, who is also Vice-Minister of Industry, Commerce & Labour. The Chinese papers say that Mr. Cheng may be relieved of the position and Mr. Chang Ching-kang, chairman of the Reconstruction Commission, appointed in his stead.



ANOTHER VIEW OF "RED THURSDAY"

SHOOTING

N. R. A. Bronze Medal

The fourth annual competition for the bronze medal of the National Rifle Association was shot for under the auspices of the Shanghai Rifle Association on July 27.

Names	Unit	200 yds.	500 yds.	600 yds.	Total
Cpl. Easterling	U. S. Marine Corps	32	29	27	88*
L. J. Guilford	Swiss Rifle Club	31	26	31	88*
Insp. Sharman	S. M. Police	26	31	30	87*
W. Lancaster	S. R. Assn	27	30	29	86*
Capt. W. E. Sauer	American Co., S.V.C.	29	32	25	86*
Cpl. A. A. Mottu	Light Gun Battery, S.V.C.	23	32	30	85*
L/Sgt. Golding	Norfolk Regt.	27	29	27	83
Sgt. W. Read	S. M. Police	27	29	29	85
Pte. Thurbon	Norfolk Regt.	25	28	31	84
Sgt. R. L. Ito	H.Q. Staff, S.V.C.	29	30	35	84
Cpl. P. Eardley	Engineer Co., S.V.C.	32	27	25	84
C.S.M. White	Wiltshire Regt.	27	29	27	83
Pte. B. E. Caulton	"A" Co., S.V.C.	27	30	26	83
Pte. Snook	Wiltshire Regt.	29	26	27	82
Pte. Crampion	Norfolk Regt.	29	32	21	82
Pte. Ferry	Norfolk Regt.	20	30	31	81
L/Cpl. Beech	Wiltshire Regt.	28	25	27	80
Sgt. Beardsworth	Armoured Car Co., S.V.C.	27	28	25	80
L/Cpl. Quantrell	Norfolk Regt.	27	29	24	80

* Winner of Medal.

* Winner of Cup.

AMERICA BEATEN IN DAVIS CUP

Trophy Retained by France by Three Matches to Two

Paris, July 26.

Play in the Challenge Round of the Davis Cup competition between France and the United States commenced to-day.

Two singles were played this afternoon and France won them both in pretty easy fashion.

In the first match Borotra (France) defeated Lott (America) 6-1, 3-6, 6-4, 7-5, while in the next match Cochet (France) had a surprisingly easy time against Tilden (America), winning by 6-3, 6-1, 6-2.

July 27.

The United States gained a notable victory to-day, her two youthful representatives in the doubles, Wilmer Allison and John Van Ryn, defeating such well-known and tried performers as

Cochet and Borotra in straight sets, namely, 6-1, 8-6, 6-4.

July 28.

France to-day retained the Davis Cup, beating the United States by three matches to two.

In the first match this afternoon, Tilden played a great game to beat Borotra 4-6, 6-1, 6-4, 7-5, bringing the number of matches won by the two countries to two all.

Cochet however clinched the international championship, and the Davis Cup, for France by defeating Lott 6-1, 3-6, 6-0, 6-3.—Reuter.

PARIS, July 28:—France to-day beat England by 62 points to 58 in the seventh international athletic contest.—Reuter.

ROHEAMPTON, July 26:—In the final of the British Professional Lawn Tennis Championship, D. Maskell (All-England Club), the holder, beat J. Pearce (Queen's Club), who is only nineteen years of age, 6-2, 6-4, 6-2.—Reuter.

SHANGHAI POLO

By "Observer"

On July 27 spectators saw some of the fastest polo that has been played this season, and those who are following form for the big matches which will shortly take place, had the opportunity of watching many interesting pieces of combination and were able to see several carefully thought out moves carried out at full gallop.

Contrary to expectation the Wiltshire Regiment romped round the Club team and trimmed them to the tune of five goals to two. They were playing with Dallas as back, and the Club forwards were not able to make much impression against his fast ponies. Gibbings, who was playing extremely well, was only able to break through occasionally. Unfortunately the rest of the Club team had not played together before and did not combine well, so the passing and understanding between members of the Wiltshire Team, enabled them to take frequent advantage of their opponents' mistakes. Beaven was particularly noticeable, but the match was disappointing from the scientific point of view, as there was little or no riding off, and players were all rather jumbled together.

American Troop v. Mix Max

This was the fastest game of the afternoon, and the Mix Max avenged their recent defeat by winning four goals to two. The American team were handicapped by the loss of Taylor, and took Rothe as a substitute, Liddell taking his place in the Mix Max team.

Both sides seemed to be on their toes all through the match until the final bell rang, and there was no ill balanced period of play throughout. Both teams were playing with their heads, each move being immediately responded to by the whole side, and equally careful efforts were instantly made to counteract the move. There were very few occasions when players were out of their places, and none of those dreary scrums with everyone standing on the ball.

It was pleasant to see Liddell playing in a balance team, as he seemed intuitively to realize his place and only left it when told to do so by his captain. His combination with Hayes was good, and when the long passing shots came up from the Mix Max defence, both players were away like a flash.

A feature of the game was the corresponding understanding between Franklin and Allman, and all forwards must have been reading Saturday morning's "North China" as they clung to their opposing backs with a whole hearted but embarrassing affection, and Rodger had the time of his life evading their unwelcome attentions. McMichael too was frequently forced into long range bombardment of the opponents goals due to Allman's clinging nature.

The American Troop players certainly did not know when they were beaten and kept up their attack with untiring energy. It was a pleasure to see them attempt to recover a difficult situation, and the Light Horse will do well to mark this fact next Saturday, as their lightning rushes up the field are bound to keep the Light Horse backs on the qui vive. It was interesting to see how well the wireless telephone communication was working between Bott and McMichael, as it could only have been due to an invention of this nature that they could so unhesitatingly interchange and turn defence into an attack. Bott appears to be the most desirable and most difficult man to find, a natural born No. 2.

Light Horse v. Cowboys

The Cowboys gave their opponents another thrashing, beating the Light Horse by five goals to three and apart from the goal score they seemed to dominate the whole game.

All their ponies were under perfect control, full of go and able to ride off well. Their combination was good, and their backs kept them well fed, so that they had really more opportunity of getting goals than the score indicates.

Sprague has come on wonderfully this year and is extremely dangerous when he is unmarked.

It is difficult to find any flaw in this team's play as it is obviously carefully thought out and each move is made with understanding. The only minor fault, which has nothing to do with the team, is that rather annoying trick of Burdick's, which I am sure is unconscious, of pulling across the line of the ball after hitting it.

The Light Horse on the contrary seemed to be thoroughly disorganized, and though it is difficult to put one's finger on the exact spot I think it is due to the mistaken tactics of their backs. They did not seem to work with understanding, and there were times when Robinson appeared to be too far up in the game. Consequently, when the direction was changed, Pollock frequently found himself alone, with his opponents buzzing round him like a swarm of bees. Though he is normally quite a good hitter, he could not bridge the distance to place his forwards on the offensive again. The result of this was that both forwards sensing the situation started coming further back, which immediately turned the game into a defensive one, thereby slowing it up and forcing the Light Horse team to hit backhand shots instead of fore-hand.

ADVISES have been received in Shanghai to the effect that the National Track and Field Meeting which was arranged to be held in Hangchow on October 1 has been postponed until April 1, 1930.

MEMBERS of the Shanghai Golf Club have been saying that the Seekingjao course is playing very well just now, and this is confirmed by the way in which the professionals in Shanghai specialize in holes in one on that course. It was but recently that the Rev. W. Robbins had a one at the seventh hole, and now we hear that on July 28 Dr. Paul Martin had a snappy one at the 14th. Messrs. Johnnie Walker & Sons present a bottle of their product, as well as a parchment certificate, for this performance, and it is rumoured that their shareholders propose to ask the Committee of the Shanghai Golf Club to re-bunke the course.

BASEBALL IN U.S.

N.C.N. SPECIAL SERVICE

New York, July 25.

AMERICAN LEAGUE

Clubs	R.	H.	E.
Cleveland	3	10	2
Philadelphia	21	25	0
Chicago	13	9	0
Washington	1	6	0

Detroit, New York, Boston and St. Louis postponed, rain.

NATIONAL LEAGUE

Clubs	R.	H.	E.
New York	5	8	1
Chicago	8	13	0
Boston	2	9	3
Cincinnati	14	21	1
Philadelphia	3	4	0
St. Louis	10	15	0

July 27.

Clubs	R.	H.	E.
St. Louis	3	6	0
New York	5	14	1
Detroit	0	5	1
Boston	4	8	2
Chicago	1	5	1
Philadelphia	8	15	0
Cleveland	5	11	0
Washington	3	7	1

NATIONAL LEAGUE

Clubs	R.	H.	E.
Boston	10	16	0
Pittsburgh	3	8	1
Boston	2	9	1
Pittsburgh	5	9	0

(second game)

Clubs	R.	H.	E.
Philadelphia	1	9	0
Chicago	6	11	0
Philadelphia	7	8	2
Chicago	10	10	1

(second game)

Clubs	R.	H.	E.
New York	3	6	1
St. Louis	2	10	1
Brooklyn	3	9	0
Cincinnati	4	9	1

July 28.

Clubs	R.	H.	E.
St. Louis	6	14	1
New York	7	14	0
Cleveland	9	15	1
Washington	6	13	2
Detroit	5	13	0
Boston	3	9	1

NATIONAL LEAGUE

Clubs	R.	H.	E.
Philadelphia	2	6	1
Chicago	7	9	2
New York	10	19	0
St. Louis	5	10	1
Brooklyn	3	8	3
Cincinnati	4	5	1
Brooklyn	5	9	2
Cincinnati	7	14	1

(second game)

Clubs	R.	H.	E.
Chicago	8	12	1
Philadelphia	6	8	1

Others unscheduled.

NATIONAL LEAGUE

Clubs	R.	H.	E.
New York	11	17	0
St. Louis	2	10	3
Brooklyn	10	17	1
Cincinnati	2	8	2
Boston	10	15	1
Pittsburgh	9	16	1
Philadelphia	10	14	1
Chicago	12	15	0

July 30.

Clubs	R.	H.	E.
Chicago	3	10	1
New York	7	14	0
Detroit	4	7	0
Philadelphia	5	8	1
Cleveland	6	15	2
Boston	4	13	1
St. Louis	9	12	1
Washington	11	14	1

NATIONAL LEAGUE

Clubs	R.	H.	E.
New York	3	5	0
Cincinnati	0	6	1
Philadelphia	13	18	3
Pittsburgh	5	11	0
Brooklyn	9	18	2
St. Louis	10	15	0
Chicago	4	9	1
Boston	0	5	1

July 31.

Clubs	R.	H.	E.
Chicago	2	8	2
New York	16	17	2
Detroit	1	4	4
Philadelphia	10	9	0
Cleveland	0	9	0
Boston	4	10	1
Cleveland	6	9	1
Boston	2	10	3

(second game)

Clubs	R.	H.	E.
St. Louis	5	10	1
Washington	1	5	2

NATIONAL LEAGUE

Clubs	R.	H.	E.
Brooklyn	2	4	1
St. Louis	5	8	0
Boston	7	13	1
Chicago	1	7	0
New York	1	7	1
Cincinnati	2	8	0
Philadelphia	6	7	0
Pittsburgh	2	8	1

(second game)

Clubs	R.	H.	E.
Brooklyn	8	8	1
St. Louis	2	10	2
Boston	3	11	0
Chicago	6	12	0

(second game)

AMERICAN LEAGUE

Clubs	Won	Lost	Pct.
Philadelphia	72	26	.735
New York	60	33	.646
St. Louis	53	44	.546
Cleveland	51	47	.520
Detroit	47	50	.485
Washington	36	57	.387
Chicago	38	61	.384
Boston	29	69	.296

NATIONAL LEAGUE

Clubs	Won	Lost	Pct.
Chicago	63	31	.670
Pittsburgh	58	36	.617
New York	55	45	.550
St. Louis	49	49	.500
Brooklyn	43	54	.443
Boston	42	58	.420
Cincinnati	40	57	.412
Philadelphia	38	58	.396

—United Press.

HOME RUN TOTALS

Clubs	Home runs
Philadelphia	33
New York	27
St. Louis	26
Cleveland	24
Detroit	23
Washington	22
Chicago	22
Boston	22
Cincinnati	21

—United Press.

LOCAL BASEBALL

Marines 17: Amateurs 1

Clubs	AB	R	H	PO	A	E
Conyers, 2b.	5	4	4	2	2	0
June, 1f.	3	2	2	1	2	0
Felter, cf.	6	2	2	1	0	0
Ruth (Yankees)	6	3	3	0	0	0
Hyde, cf.	5	2	3	1	0	0
Simmons (Athletics)	3	1	1	1	4	0
Bottomley (Cardinals)	5	1	1	6	0	0
Hafey (Cardinals)	5	1	2	3	4	0
Hornsbay (Cubs)	3	0	0	1	0	0
O'Doul (Phillies)	2	1	0	0	0	0

—United Press.

AMATEURS

Clubs	AB	R	H	PO	A	E
Tenny, 1f.	4	0	0	1	0	2
J. Smith, 2b.	4	0	0	2	3	3
Lamneck, ss.	4	0	0	3	6	0
Hyde, cf.	1	1	1	1	1	0
Travers, 3b.	2	0	0	3	1	1
Wilhoit, 1b.	3	0	1	13	0	0
Holliday, rf.	2	0	0	1	0	0
Eysinger, cf.	1	0	0	2	2	0
Youngs, 1f.	1	0	0	0	1	0
Miller, p.	3	0	0	1	7	2

28 1 2 27 21 11

Imcas 4: Chinese 3

Clubs	AB	R	H	PO	A	E
Smith, ss.	5	1	1	1	2	1
Squires, 2b.	5	0	1	2	2	3
Riley, 3b.	5	1	1	1	8	0
Holman, 1f.	4	1	3	2	2	0
Neprude, 1b.	3	1	1	16	1	0
Quinn, c.	4	0	1	4	0	1
A. Gaberman, rf.	4	0	2	0	0	0
M. Gaberman, cf.	1	0	0	0	0	0
Healey, p.	4	0	0	1	5	0

34 4 10 27 18 5

CHINESE

Clubs	AB	R	H	PO	A	E
Tsang, 2b.	4	0	1	7	1	2
Chow, 1f.	4	0	0	0	1	1
Kim, ss.	4	0	0	2	3	1
Tsoy, p.	4	2	0	0	5	0
Liang, 3b.	4	0	1	6	1	0
Doo, cf.	1	1	1	3	1	1
Chen, 3b.	1	0	0	0	0	0
Chang, 1b.	2	0	0	1	0	0
Yu, 1f.	1	0	1	3	0	0
Wu, rf.	3	0	0	2	0	0

33 3 4 27 13 5

Japanese 16: Navy 0

Clubs	AB	R	H	PO	A	E
Nickel, 1f.	3	0	0	2	0	0
Cooper, 1f.	3	0	0	4	0	0
Wheelock, 1b.	1	0	0	1	0	0
Reverd, cf.	3	0	0	0	0	0
Thompson, cf.	1	0	0	0	0	0
Kling, ss.	4	0	1	6	1	1
Conseggio, 3b.	4	0	1	1	2	0
Basu, rf.	3	0	1	0	0	0
Reynolds, rf.	3	0	1	0	0	0
Miller, 2b.	3	0	1	5	0	0
Hrisco, c.	3	0	0	5	4	0
Thomas	1	0	0	0	0	0
Stoval, p.	2	0	0	0	0	0
Fardue, p.	1	0	0	0	1	1

32 0 4 21 8 2

JAPANESE

Clubs	AB	R	H	PO	A	E
Itoh, ss.	3	2	2	4	2	0
Yadokisa, 2b.	4	3	3	1	4	2
Suzuki, 3b.	4	3	4	0	2	0
Takura, cf.	5	3	2	0	0	0
Nagata, p.	4	2	2	0	3	0
Shimizu, 1b.	5	1	2	19	0	1
Mayeda, c.	4	0	0	11	2	0
Imagawa, 1f.	3	1	1	1	0	0
Takamatsu, 1f.	1	0	0	0	0	0
Imaye, rf.	4	1	0	0	0	0

37 16 16 27 13 3

Marines 6: Japanese 3.

Clubs	AB	R	H	PO	A	E
Ito, ss.	4	0	0	2	2	0
Yadokisa, 2b.	4	1	2	3	3	1
Suzuki, 3b.	4	0	3	0	1	1
Takura, cf.	4	0	1	1	0	0
Kimoto, 1b.	4	0	0	9	0	0
Nagata, p.	4	0	0	1	3	0
Iris, rf.	3	0	1	2	0	1
Honda, c.	1	0	0	0	0	0
Shimizu	3	1	1	6	1	0
B. Imagawa, 1f.	2	1	0	0	0	0
Naito, 1f.	2	0	0	0	0	1

35 3 7 24 10 4

MARINES

Clubs	AB	R	H	PO	A	E
Conyers, 2b.	4	0	1	5	1	0
June, c.	4	0	1	6	1	0
Felter, cf.	4	0	0	0	0	0
Skipworth, rf.	3	1	0	0	0	0
Jones, 1b.	3	1	1	1	0	0
Holmdale, 3b.	3	2	1	0	7	1
Travres, ss.	2	0	0	1	3	2
Cogsdell, 1f.	3	1	1	4	0	0
Jackson, p.	1	0	0	0	0	0
Welch, p.	2	1	0	0	0	0

29 6 5 27 15 3

Marines 4: Navy 3

Clubs	AB	R	H	PO	A	E
Conyers, 2b.	5	0	0	3	2	0
Travres, ss.	5	1	2	1	6	1
Jones, 1b.	3	1	1	1	0	0
Passmore, 1b.	2	1	0	0	0	0
Skipworth, rf.	3	0	1	0	0	0
Holmdale, 3b.	4	1	1	1	2	0
Clark, c.	2	0	0	6	2	0
June, c.	2	0	1	8	0	0
Felter, cf.	1	0	0	0	0	0
Fine, 1f.	2	0	0	0	0	1
Cogsdell, 1f., cf.	3	3	0	2	0	0
Alexander, p.	2	0	0	0	4	0
Welch, p.	2	0	0	0	0	0

THE INCANDESCENT LAMP

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—Being interested in the controversy regarding the origin of the incandescent lamp and the claim made recently by your correspondents, that Swan had priority to Edison, with all due respect to the tremendous influence and inventive genius of Swan, the scientific and commercial history of the period go to prove of Edison's precedence.

A short summary may justify this statement. In 1810 Sir Humphrey Davy introduced the first arc of any considerable magnitude, and as far back as 1841 Frederick de Moleyns an Englishman had dreams and experimented with a metal rod in a bulb exhausted of air—without results, however; moreover Starr a promising young American, produced a filament, which might have had far reaching results if death had not visited him at the early age of 25. Little more was tried until the advent of the Gramme dynamo in 1870. In previous practice arc lamps and other attempts at electric lighting depended on primary cells and batteries for their power, but with the simplification of this new current source a new phase for experiment was opened up. Even under these conditions the incandescent lamp was only a piece of laboratory apparatus until 1878 when Edison in America and Swan in England almost simultaneously produced a lamp using a platinum spiral in a vacuum as a source of light. The attempt in both cases was a failure owing chiefly to the oxidation of the filament, for up to this time no means for obtaining a thoroughly good vacuum was known. Strange as it may seem each turned to the carbon principle, cutting fine strips of paper, carbonizing and mounting in a glass bulb afterwards evacuated. Success was within reach and it goes to Edison's credit, that after 1,600 tests made from almost everything containing a carbon residue—bagging, cardboard, cocoa-nut, hair, coke, cotton, fish-lines, paper saturated with tar, thread, tissue paper and the red hairs from the beard of his intimate friend Mackenzie—he finally succeeded over a 40 hours life test with a filament made from bamboo. The lamp had a positive commercial value, and one need only look up the journal and newspaper records at that time to see the decided panic among the shareholders of the various gas companies. Swan again, still persistently alive on the carbon filament problem, produced in the same year, and if anything earlier than Edison's bamboo success, a cellulose filament before the Newcastle Life Society with a guarantee, life test. The exhibit was a failure. This was Swan's last attempt until after the success of the American patent.

It might be interesting to relate Swan claimed anticipation of the carbon idea and litigation followed, but realizing the independent qualities of the other, both parties finally came together and formed the since famous Edison group.

I am, etc.,
J. W. GRIEVE.

Shanghai, July 25, 1929.

To the Editor of the
"NORTH-CHINA DAILY NEWS."

Sir,—In order that your readers may see both sides of an interesting controversy, I have the pleasure to forward you for reprinting an article by Mr. Kenneth R. Swan, son of the late Sir Joseph Swan the inventor of the incandescent lamp, and another by Mr. Frank C. Wells, News Editor "Electrical World" New York. Both articles appeared in the "Electrician" of June 14, 1929.

I am, etc.,

T. A. C.

Shanghai, July 29, 1929.

Mr. Kenneth R. Swan's Article

"It is no doubt the fact that on October 21, 1879, Edison succeeded in getting an evacuated glass globe, in which was mounted a filament of carbonized cotton thread, to glow effectively for a few hours, and it is no doubt also the fact that he was the first in the United States to accomplish this feat. If, therefore, the American nation choose to commemorate this occasion as the birthday of the incandescent electric lamp in the United States, they

can no doubt find ample justification for doing so.

But if a broader claim than this is made, as it appears to be made in certain American articles on "Light's Golden Jubilee," then the following facts should be brought to the notice of those who are responsible for the wide and sweeping assertion made.

In December, 1878, and in January and February, 1879, Joseph Wilson Swan (who had commenced to study the problem of incandescent electric lighting in 1848) publicly exhibited his incandescent carbon lamp, and demonstrated the practicability of electric lighting by this means to large numbers of people in Newcastle-on-Tyne, Gateshead, and Sunderland.

The earliest date of these demonstrations was December 18, 1878. So far as absolute priority is concerned, therefore, Swan was 10 months before the date claimed by the Americans for Edison's first demonstration. The 50th anniversary of this occasion (i.e. December 18, 1878) as already been commemorated by the Institution Engineers as the veritable birth-day of the incandescent electric lamp.

It is further to be observed that neither Swan's lamp as exhibited in 1878, nor Edison's exhibited in 1879, had in its initial form all the necessary qualities of a commercially successful lamp.

The first serviceable lamps made by Edison had filaments of bamboo. A few of these lamps were first seen in England in the spring of 1880. But even this form of filament, elegant and ingenious as it was, was not destined to achieve more than an ephemeral success.

Early in 1880, Swan who had been working during the past months to improve the filament, devised a means of producing carbon filaments of the required strength and uniformity. These filaments were known as parchmentized cotton filaments, and the first commercial manufacture of lamps in Great Britain, commenced in 1880, was based upon this improved filament.

Edison quickly discarded his bamboo filament and adopted the parchmentized cotton filament of Swan's invention.

This form of filament held the field in America, no less than in Europe, and for several years all incandescent electric lamps, all the world over, were made with Swan's parchmentized filament.

In 1883 Swan devised a further improvement in the filament, namely, what was known as the squirted filament. Cellulose in the form of nitro-cellulose or (according to a later modification) cellulose dissolved in chloride of zinc, was squirted through a small orifice, in the form of an endless thread. This was subsequently reduced to pure cellulose, then cut and shaped and carbonized.

This form of carbon filament, which immensely improved the efficiency of the lamp, superseded the parchmentized cotton filament, and resulted in the greatly extended use of incandescent electric lighting. Edison had nothing to do with this innovation in the principle of filament manufacture, but it was adopted in the so-called Edison lamp, as it was everywhere else throughout the world.

It is only necessary to add this. Though America no doubt owes much to Edison's initiative in connection with the evolution of the incandescent carbon filament lamp, it also owes much to Swan. On the other hand, the British manufacture of the incandescent carbon filament lamp in this country owes nothing whatever to the work of Edison, which the United States are now so loudly acclaiming as an event of world-wide importance.

The British manufacture of the incandescent carbon filament lamp in its practically commercial form is based wholly upon the work of Swan and his collaborators; and the same is true of the manufacture of the lamp on the European Continent.

America's claim, therefore, that the incandescent electric lamp is an American invention, is not only incorrect in its historical foundation, but shows an utter and most ungenerous disregard of the debt she undoubtedly owes in this matter to England.

"Why Americans Regard Edison as Hero of Semi-Centennial of Incandescent Electric Light," By Frank C. Wells.

"Americans are accustomed to think of Thomas A. Edison as having undisputed title to the invention of the incandescent electric lamp, which they naturally regard as by far the greatest of his achievements. The phonograph, which is certainly all his, and the motion picture, in the genesis of which he had so large a part, have added greatly to the pleasure of the world and have been of business utility besides; but they have borne a relatively small part in the industrial and social revolution in which electricity has far outweighed every other factor.

Serene in their faith, various electrical organizations and societies are about to stage a vast celebration, to be known as "Light's Golden Jubilee," and spread all over North America. This celebration, for which the Edison Pioneers have selected a sponsoring committee of eminent citizens headed by President Hoover as honorary chairman, and which is backed by the National Electric Light Association, will signalize the semi-centennial of incandescent electric light, and will glorify Mr. Edison as the Jupiter from whose brain it sprang, and as the one who may rightly look at it as that has followed because of it as derived from his early exertions.

Mr. Edison, those who know him well tell us, is not the man to whom such a pose appeals, and he is likely to view his own apotheosis at the age of eighty-two with an air of detachment, depreciation, and possibly, slight impatience. The workbench, not the limelight, has been Edison's lifelong habit. He would undoubtedly have rested amply content with the laurels heaped upon him in the past and forgone the coming culmination. But the celebration must have its hero, and by universal consent of his fellow-countrymen—Edison is he.

It is a little disconcerting that, right at this point, there should float across the Atlantic drawn-out echoes of the British celebration last year of the fiftieth anniversary of the Swan lamp. These echoes do not quite harmonize with the opening strains of America's 1929 electrical orchestra. Many English electrical men, it has been made apparent, are of the opinion that because Swan demonstrated his invention ten months before Edison's was ready, the priority is, and the tributes and popular fame in this particular connection should be, his.

Without any attempt to compare technically the two lamps each developed with no knowledge of the other—a comparison to make which, the writer has no qualifications whatever—may it not be contended that, while Swan's lamp is an interesting historical fact, Edison's is an ever-present reality? In the United States students of the history of lighting are, of course, familiar with Swan's name, but it would be safe to say that not one other citizen in a hundred thousand ever heard of him. Yet there is not in this country a school child, a Chinese laundryman, or a Syrian peddler who does not associate electric light with Edison. This is because, with a practical grasp and a business sense unusual in inventors, Edison developed along with his lamp the system of electric generation, transmission and distribution that, with no fundamental change, is used to-day.

Three years after his lamp was shown to be a practical device, the famous Pearl Street power house was energizing the first incandescent electric lighting system of the world—the system that illuminated downtown New York. This system Edison and his agents rapidly spread, not only over America, but over Europe as well. When England, France, Germany and Italy swung into line with the United States as pioneers in Electrical development, it was Edison to whom they turned for inspiration.

While according high honour to Swan and any other inventors who worked successfully at the problem also solved by Edison, but who failed to win the last heat of the contest—with which the telegrapher from Michigan ran away—there will be few on this side of the Atlantic who will admit that the hero of the jubilee has been wrongly chosen. If in the discovery of the new world of electric light Swan was an authentic Leif Ericson, Edison is an equally authentic Columbus. The rôle of Amerigo Vespucci can never be made to fit him.

THE MEANING OF DREAMS

To the Editor of the

"NORTH-CHINA DAILY NEWS."

Sir,—With reference to your article in this morning's paper on the Meaning of Dreams, I see no reason to doubt the veracity of the incident mentioned. I know of two somewhat similar ones, each of which unfortunately had a tragic sequence.

I well remember a friend who was at school with me at Winchester, receiving a letter from her mother relating a dream which had greatly distressed her. It seemed to her that her only son, a midshipman, whose ship was then in distant waters, had stood by her bedside and had said just one word, "Mother." Both form and voice were so real that she felt sure the dream had a meaning, and she feared trouble. It seemed to her a farewell. Not long afterwards she learned that her son had been killed by a fall on board ship, on the day on which she had the dream. It was July 17.

Another instance comes to mind. A gentleman living in London had a very vivid dream. He thought he saw a calm moonlit bay. Everything was peaceful and quiet, but he was oppressed by a sense of danger. He felt that his son, who was away from home at the time, was in danger and needed help. He told the dream to his daughters next morning and mentioned his foreboding of ill. They tried to reassure him by reminding him that their brother was nowhere near the sea at that time. Soon afterwards came the sad news that the son had been called to a place on the South Coast on business, and taking a stroll late in the evening, had been tempted to have a swim by moonlight. He apparently had been seized with cramp or had been carried out of his depth and drowned.

I am, etc.,

C. J.

Shanghai, July 29, 1929.

WHEN GAMBLING WAS LEGAL IN HONGKONG

To the Editor of the

"NORTH-CHINA DAILY NEWS."

Sir,—In view of the interest which has been taken of late in the matter of prosecutions for public gambling in Shanghai, I thought it would interest some of your readers to know when public gambling was legal in Hongkong. In glancing through a copy of "The Graphic" March 12, 1870, I came across the undernoted paragraph on page 340:

"Public gambling-houses were established a year or two ago in Hongkong, under the authority of the British Government of that peculiar little colony. A considerable disturbance was raised at the time by a number of good people who were greatly shocked at the idea of tolerating and sanctioning the existence of such haunts of vice, but it was explained that the bold measure had been adopted as the lesser of two evils. Scores of secret gambling-houses sprang up all over the China town while the system was illegal, and the police could do nothing that had the least effect in mitigating the evil. These secret houses, moreover, were the headquarters of the criminal classes, and the centres of innumerable criminal organizations. The establishment of the licensed gambling-house proved quite successful in stopping all this. But what was to be done with the money paid to the local government for the licences? Enormous sums accrued in this way, which the Governor was at first—a concession to the people who were shocked—prohibited by the Home Government, then represented by the Duke of Buckingham, to touch. At last he was allowed to apply the money to purposes strictly connected with the development and improvement of the police force and the suppression of crime. Now, however, Lord Granville has overthrown this arrangement, and has ordered the colony to send home all the licence-money in future. The colony must now use money coming from such a corrupt source, but the Imperial Government may. That in the captain's but a choleric word, which in the soldier is flat blasphemy. Forty thousand pounds has already been humbly given up by the colony, and what Lord Granville will do with it nobody seems to know."

It would be interesting to know when "that peculiar little colony" became reformed in the matter of public gambling.

I am, etc.,

AUSTRAL.

Shanghai, July 29, 1929.

***It certainly has been for many years past.—Ed.

UNEQUAL TREATIES

To the Editor of the

"NORTH-CHINA DAILY NEWS."

Sir,—In the event of the so-called unequal treaties being abolished it will be interesting to know whether Chinese and foreigners will be accorded equal treatment by the Chinese Government. For instance will foreign lawyers be again given equal facilities for practice in the Chinese Courts? Will foreigners be allowed to travel and trade freely in the interior or will they still be required to restrict their activities to the "treaty" ports? Will foreigners receive the same protection for their persons and property as the Chinese receive in foreign countries? These are only a few of the questions which must arise; but they are sufficient to show that there are two sides to this question of equality, and in their anxiety to reform their country the Chinese must not overlook the attendant responsibilities.

After all the terms "Sovereign Rights," "Unequal Treaties" etc., are merely catch phrases designed to rouse the feelings of the ignorant classes, and until their meaning has been properly defined, should not be taken too seriously by responsible people.

I am, etc.,

LEX.

Shanghai, July 30, 1929.

CRIMES THAT NO ONE CHECKS

To the Editor of the

"NORTH-CHINA DAILY NEWS."

Sir,—Two incidents recorded during the week-end show the apathy of the Chinese towards a fellow being in distress,—one the story of an aged countryman who was knocked down by a ricksha, and who was assisted by a foreigner, his own nationals standing by laughing; the other a grimmer story of a Chinese being shot and then beaten to death with iron bars on Friday morning.

This last took place, not in a quiet, unfrequented spot, but in the heart of a fair-sized native settlement on the main road, half way between Edinburgh Road and Jessfield Park.

The writer passed near the spot at noon on Friday after an interval of one and a half hours. There was a dense crowd in the roadway, every man, woman and child of the village must have gathered there. The writer learnt later that a man had been shot and that the murderer had escaped. Had he been killed by the shot doubtless the tragedy would have been over before help could be summoned, but if he were beaten to death it must have taken long enough for an alarm to be given. Yet no one seems to have done anything to help the unfortunate victim, rather they must have looked on while he was being done to death.

There are three foreign places in the immediate vicinity, within a few yards of the scene of the tragedy, from any one of which a telephone message might have been sent to the police who would probably have been in time to arrest the murderers if not to save the victim. A passage leads from the main road to all three places, so that a person wishing to give information might easily have done so without attracting the attention of the ruffians.

It is terrible to think that such a grim tragedy should have been enacted almost within earshot of a number of foreigners who could have given assistance of some kind, and who learnt only when it was too late of what had happened at their very doors.

It is sincerely to be hoped that the murderers will be caught and brought to justice. It is said that the man who was so cruelly done to death owed a small sum of money to one of them.

I am, etc.,

C. J.

Shanghai, July 28, 1929.

LONDON.

Visitors to London will find the comfort and amenities of a home at

TREBOVIR HOUSE.

Advantageously situated. One minute Tube Station. Ten minutes Piccadilly and Kensington Gardens. Large sunny rooms. Constant Hot water. Excellent Cuisine. Highly recommended by Officers & Families. Full board. Reasonable. Single Room from £2 17/6. Double from 51 gns. per week. 12 Trebovir Road, Earls Court, S.W.5.

LAW REPORTS

H. M. SUPREME COURT

REGISTRATION OF A VESSEL

The cross-examination, the re-examination and questions by his Honour Judge G. W. King, of Kwok Min-yung, agent of the plaintiff in the case of Gen. Yang Chun-chang v. H. T. Wade, occupied the entire session in H.M. Supreme Court on July 26. Gen. Yang is seeking to recover Tls. 90,000 in connection with allegations which he made to the effect that defendant fraudulently represented to him that he could secure French registration for the str. An-lan, which boat, he claims, was seized last year by the Wuhan military authorities because of alleged irregularities in its registry.

Counsel appearing in the case were Mr. John McNeill, for plaintiff, and Mr. E. L. Hartopp who represented defendant.

Witness (Kwok Min-yung), in answer to questions put to him by Mr. Hartopp in cross-examination, said that Wade had told him that, because the An-lan flew the French flag, it was necessary to engage a French master. Ma knew of all affairs so he had been placed on board. The captain was not under him but simply consulted him. Ma did not refuse to tolerate the engagement of a French or other foreign master except one who submitted to his orders. Capt. de Bishop was paid \$400 a month and defendant had stated that he was willing to pay another \$100 himself, making \$500.

Re-examined, witness corroborated his former statements as to the payment of certain money to defendant in the presence of other foreigners who were in Wade's office at the time.

Wuhan in Rebellion

Interrogated by the Judge, witness said that he had been agent for Gen. Yang since January, 1928. He had once held the rank of quartermaster-general. He knew the early history of the case. Asked why they were afraid of the Wuhan authorities, he said that the Wuhan people were in rebellion against the Central Government and had started a movement.

He took no interest in the flag of the ship. He had seen the French flag once before but he did not know the Customs regulation that the flag had to be flown when the vessel sailed. The flag might have been up when the steamer sailed but he did not see it: someone might have taken it down after it had been put up. During the voyage no one spoke to him about the flag. When they arrived at Wuhu no one hoisted the flag and witness did not notice any because he paid no attention.

Continuing, witness said that the vessel anchored at Hankow near the French Concession—in midstream. There were no wharves. Two plain-clothes men came on board at first and later uniformed men came up and took over the steamer.

His Honour: Has there been any effort to get any money for it?

Witness: No. We could not get any because the people who seized the vessel are no longer there.

If they were there, would you try to get money from them?

If the boat were there after the war, we would probably get it back.

In reply to further questions, witness said that the An-lan had sunk at a place called Chengling-chih, on the Hunan-Hupeh border while it was being used as a transport by the Wuhan authorities.

Mr. Hartopp stated that the boat had not sunk because a photo had been taken of it last year.

The steamer sailed from Shanghai in a hurry, said witness, because the cargo had been loaded and the Customs formalities had been gone through. Since Wade did not tell him not to sail, the vessel naturally left. That was the first time, witness knew the French captain was on board. He had no suspicion in his mind that anything was wrong. He thought that everything was in order.

The case was then adjourned until August 6.

DEPORTATION OF ENOCH BINKS

An application for the temporary suspension of an order for the deportation of Enoch Binks which was issued by H. M. Court in Tsinan and recently confirmed by the Full Court of Appeal here, was refused on July 27 by Judge G. W. King in H. M. Supreme Court. Mr. Paul Urban appeared for Mr. Binks, and the Crown Advocate, Mr. A. C. Mossop, opposed the application.

Mr. Binks was originally sentenced by the Consular Court in Tsinan to one month's imprisonment and deportation, and his appeal was unsuccessful. Mr. Urban asked the court temporarily to suspend execution of the deportation order pending an appeal by his client to higher courts. Deportation would mean death to his client, who was 70 years of age and in straightened financial circumstances. His client's friends would leave no stone unturned to save him from this.

The Crown Advocate contended that friendship which ended at the jetty in Shanghai was incomprehensible. If the applicant's friends were prepared to do something for him if he were in China, was the court to infer that they would do nothing if he were in England?

Mr. Urban said that his client's friends here were prepared to put up recognizances in Shanghai.

Mr. Mossop replied that a stay of execution in this case would establish a precedent for similar applications in other cases.

After some legal discussion, His Lordship refused to grant the stay of execution.

A WILL CASE

An infant of seven years, John Ingram Archibald, residing in Aberdeen with his mother, was the defendant before Judge G. W. King in H.M. Supreme Court on July 30 in probate proceedings against an uncle, Mr. H. J. Archibald, plaintiff in the case, who asked the court to probate the will of his father and the boy's grandfather, John Archibald, Sr. who at the time of his death was the majority shareholder in the shares of the "Central China Post" in Hankow.

Defendant was represented by Mr. A. E. Seddon, who was appointed guardian *ad litem* with no responsibility, by Judge King, while the interests of plaintiff were looked after by Mr. E. L. Hartopp.

The petition alleged that the will of the deceased nominated the plaintiff as sole beneficiary, and while admitting his uncle's executorship the boy, through his legal representatives, contested the will on the ground that his grandfather was of unsound mind at the time it was drawn up and signed.

Plaintiff testified that his father was in excellent mental health and was in full command of his faculties at the time of his death. He had seen him once or twice a day in the course of their work on the newspaper where the aged man was a contributor of editorials though he took no other active part in running the business.

Evidence of Mental Fitness

He said that the father of the boy had died in 1926 whereupon shortly afterward the child's mother had gone to Scotland from where the present probate was being contested.

Sydney S. Kemp, a wharfinger employed by the China Merchants S.N. Co., had known the elder Mr. Archibald for many years. Just before the deceased was evacuated from Hankow on account of the trouble there the witness had had a long conversation with him regarding old times in China and witness was of the opinion that the deceased was in full mental control though there were certain bodily ailments which eventually caused his death.

Grant Tully, a master employed by the Indo-China S.N. Co., was an old friend of the deceased and had witnessed the signing of the will. He was of the opinion that the aged man was sound mentally as was Mrs. J. H. Archibald, wife of the plaintiff.

In arguing the case on July 31, Mr. Hartopp said before the present action started an offer was made by

the plaintiff to the mother of the child, who is a widow, that a compromise be agreed upon without bringing court proceedings but that such suggestion was scorned.

Further that the child's mother was by virtue of the death of her husband, the owner of more than one third of the shares of the publishing company and that contrary to any intimation of reduced circumstances she was the recipient of an income of between £500 and £800 per year. She had already received £500 in insurance money and a similar amount through property sales and the child himself had considerable land which was valued at over £400. On these grounds he asked the court to grant the application for probate of the will.

After reviewing the evidence given at the previous hearing that the deceased was in full control of his faculties at the time of his signing of the will, Judge King said that in view of such evidence he could find no reason to believe that the will was not valid or that it should not be probated.

He remarked that there had been no evidence offered by the counsel for the defence bearing on the mentality of the deceased and he could do no other than to pronounce in favour of the will.

CHARGE AGAINST A. C. TOWNSEND

In H. M. Supreme Court on August 1 before his Honour Judge King, the case in which A.C. Townsend is charged with making a false statement about goods in his godown to the Chartered Bank of India, Australia & China, was called.

Mr. R. E. S. Gregson, appearing for the Crown, asked for an adjournment of the trial, as Mr. Priestwood, because of the death of his father, was unable to appear in Court, and Mr. A. G. Mossop, Crown Advocate, was away in Nanking and not expected back for two or three days. Mr. Gregson said he did not feel capable of conducting the case for the Crown on such short notice.

An adjournment was allowed by Judge King, and the date of the trial postponed until Tuesday, August 13, at 10 a.m., His Lordship thanked the jurors who had been called, and asked that they should all re-appear in Court on August 13.

In reply to the question, by Mr. E. L. Hartopp, counsel for the defence, in the matter of bail for the accused, which had been granted at \$25,000 in one surety, put up by Mr. George Edward Bird, a renewal was permitted by Judge King, to hold good until Tuesday, August 13, when another renewal would have to be applied for if further bail was required by the accused.

U. S. COURT FOR CHINA

ADOPTION PETITION

A petition by Mr. and Mrs. R. W. Squires for the adoption of Herbert Smith, five years and some months, was granted by Judge Milton D. Purdy in the American Court on July 30. The petitioners appeared in person. The child was brought from Los Angeles last year by Mr. and Mrs. Squires.

A TIENTSIN APPEAL

In the U.S. Court on July 31, the case of Yen Yut-ting against Martin Katz & Co., of Tientsin, came up on appeal. The motion for a new trial was argued by Mr. N. E. Lurton, appearing for the defendants, and was denied by Judge Milton D. Purdy. It may be remembered that judgment was rendered on June 26 in favour of Yen Yut-ting. The judgment is for contracts on shipments of flour. On July 24 execution was stayed without security until August 8 so that defendants could make a motion for a new trial. Although the motion for a new trial was denied the stay of the execution was not affected. Mr. C. S. Franklin represented the plaintiff.

PROVISIONAL COURT

YATES' ROAD "WHEEL"

The second of the two major "wheel" cases in the police war on

local roulette playing, was heard at the Provisional Court on July 26 before Judge John C. H. Wu, when Hector Fournier and R. Santos were brought to trial in connection with the police raid on the premises at 5 Yates Road on May 22.

They were charged with maintaining a house for public gambling, being professional gamblers, providing a place for opium smoking and being in possession of firearms.

Dr. O. Fischer and Mr. F. J. Schuhl appeared as counsel for the accused whilst Mr. R. T. Bryan, police advocate, prosecuted for the Municipal Council.

Santos was released on bail of \$1,000 which was immediately furnished and Fournier was held.

Counsel for the accused pleaded their cases and Judge Wu congratulated Mr. Schuhl for his advice to Fournier to plead guilty and save the court time. Judge Wu further said that the confession the second accused made would go a considerable way in mitigating the sentence that would be passed.

In outlining his case to the court Mr. Bryan said that the accused were arrested following a raid on 5 Yates Road carried out by members of the reserve unit under Superintendent Fairbairn who was executing a warrant obtained from the Mexican Consular Court. The raiders found the house to be in a compound and had some difficulty in obtaining entry. They were only successful after they forced the doors.

What the Police Found

On the ground floor they four tables of a dice and domino game which were being liberally patronised by a large crowd of Chinese. On the first floor they four roulette tables with the wheels still running, and in an attic room they found a number of couches on which several Chinese were found smoking opium. A considerable quantity of opium smoking paraphernalia was seized. In a room adjoining the attic they found a large box containing some 30,000 counters of the type used in playing roulette.

The name of Hector Fournier had been found on two brass nameplates on doors of the house and the accused, Fournier, when questioned by Supt. Fairbairn at the time of the arrest stated that he was the proprietor of the house and his living quarters were in a room next to the opium smoking room.

Approximately 180 Chinese were arrested at the time and were subsequently charged with gambling in the Provisional Court and all found guilty. They were given varying fines which had totalled \$37,000.

The accused, Santos, was taken in custody at the time of the raid and because the police could not at that time definitely connect him with the place, he was released on bail of \$500 which had been furnished immediately the police stated the amount.

Santos and Fournier were brought before the Mexican Consular Court but following the statement of that court that it had no jurisdiction over them, they were immediately arrested on warrants obtained from the Provisional Court.

On June 23 a safe found at 5 Yates Road was opened by the police in the presence of the accused and their counsel and several documents were found in the name of Fournier. They were a lease on the place, telephone water and similar bills.

Fournier's Admissions

Later, on information received by the police a raid was carried out at 36 Szechuen Road, which Mr. Bryan stated was believed to be the principal office of the roulette syndicate of which the accused were principals, documents were found there in the name of Santos. Eleven safes were opened by the police and all but one were found practically empty.

A further raid was carried out on a godown at 10A Hongkong Road where certain gambling paraphernalia was found and it was ascertained that the lease for the place was in Santos' name.

Fournier was called to the witness box and admitted ownership of the gambling equipment at 5 Yates Road. He stated that he was the proprietor and was congratulated by Judge Wu for his honesty in making the admission. The court said that this would be taken into consideration when sentence was pronounced.

Santos was called and denied that he was the manager of 5 Yates Road or had any financial connection with it whatever. He said that he had gone there to sell cigars and gambling equipment. He had sold Fournier the wheels found by the police and also the chips. But he was not connected with the place in any other way, he was merely an agent for gambling furnishings.

Mei Yih attached to C. I. D. headquarters said that he had gone to the place on instructions from Mr. Aiers before the raid took place. He was accompanied by another Chinese and he had seen the various gambling games in operation as described by Mr. Bryan. He had seen Santos there and had observed him in the office of the place. Santos had followed him through the building and during his stay he had also seen Fournier.

THE PICK CASE

The case in which Eugene Pick, M. Levitsky and L. Gordin are charged with obtaining \$12,000 from a wealthy Chinese named Chang by means of fraud in connection with a mahjongg club, with forging the signatures of British and American Consular officials and with forging seals of the two Consulates came up again in the Shanghai Provisional Court on July 31 before Judge Chau and Mr. J. Van den Berg, Senior Consul's Deputy.

Counsel appearing in the case were: Mr. R. T. Bryan, Jr., Police Advocate, for the prosecution; Mr. F. J. Schuhl, representing Pick; Dr. O. Fischer, who appeared for Gordin; and Messrs. K. W. Luchich and A. E. Seddon, who represented the interests of Levitsky.

At the outset the Police Advocate announced that the police had discovered the shop where the photograph of the alleged forged document, on which the case was based, had been taken and he proposed to call witnesses from this shop.

Mr. Schuhl then asked that witness should be excluded and this was permitted.

Mr. C. P. Holcomb stated that he desired at this time to enter the case as representative of the complainant, Chang Ts-zuan, and Ning Chiu-ling, whose names had been mentioned in the press. Mr. Schuhl objected to this on the ground that these men were not entitled to a lawyer: their interests were in charge of the Shanghai Municipal Police.

Witnesses and Counsel

Mr. Holcomb contended that the names of these two men had been mentioned by Mr. Schuhl in connection with arms and opium deals and it was only right that they should be represented by counsel. The Judge said that Mr. Holcomb could represent Chang but, as Ning was only a witness, there was no necessity for him to retain counsel.

Mr. Schuhl then drew the Court's attention to the fact that a list of photographers visited by the police had been submitted to the Court and it was stated that the Chung Hua Photo Co. had not taken such a photograph.

Mr. Bryan suggested that the proper time for Mr. Schuhl to bring up such matters was in argument: it was not right that he should continually be getting up and interrupting the proceedings.

Det.-Insp. Robertson said that the plate had not been tampered with in any way, after which two representatives of the Chung Hua Photo Co. were called. One of these, a salesman, said that a paper had been brought in by a man named Yu who asked to have two 10-inch photographs made. The price was \$10 and the plate was sold for \$6. The size of the paper was about the same as a diploma: it was on foreign paper. The photographs were taken away the next day. When the negative was delivered, the name was not scratched out. Witness did not know the contents because he could not read English. He could not identify the man who had brought in the paper to be photographed. The photographer said that he could not remember if the wording had been removed when he took the photo. The photo was taken away almost immediately after it was developed.

Where Chang Found Negative

Complainant, Chang Ts-zuan, in reply to the Court, said that he had found the negative at home and had handed it to the police voluntarily.

The Judge—Why did you not produce it before? You said you did

not have it. You know we wanted it in evidence.—Witness—I was angry at being cheated, so I tore up and threw away the original document.

Why did you not smash the negative also?—I realized that I might find accused.

Continuing, witness said that it was he who had scratched out the names from the negative. He did this before he filed action against accused.

Asked what were the missing words, witness began to make a long statement when he was stopped by the Judge who said "I want an answer. I asked you what words were scratched out. Tell me this before you go on explaining." Witness said that he must explain or the Court would not understand. He had asked Pick to write out a certificate in his (witness's) name to the effect that he was authorized to conduct a night club for four months beginning from September 10. Instead, Pick wrote out the name of Ning Chiu-ling for his (witness's) and explained that it would be better as Ning had a nicely furnished and better looking house. Pick said that Levitsky had copied the name from Ning's door plate.

The Judge—What were the words scratched out?—Witness finally replied that these were "Mr. Ning Chiu-ling and Mr. T. Z. James L. Chang, citizens of Shanghai, are hereby." He did not know why the name of Chang appeared. Pick put it down.

The Judge's Warning

Are you telling the truth? You know that you cannot tell us any lies.—Yes, the words cut out were the words I gave to the police.

What you say now does not correspond with your previous testimony. Read these articles of the criminal code. (Complainant read them and the Judge continued) You know what crime you are committing and you know the punishment.

Complainant:—At the last hearing, I told the Court the things which had been agreed upon mutually. Now I am telling the truth about the actual wording.

Why did you cut the name out when you knew I wanted it in evidence?—As it was in the name of Ning and myself and Ning had nothing to do with the case, I did not want to involve a third person. It was put in against my protest but I was told "Never mind." Pick said that it would be easier if the police came to make inquiries and it would be better if Ning's name appeared. Ning was a reputable man and he had a fine home which would not arouse suspicion. He agreed later to take it out.

The Judge:—Read article 184 of the code. Do you understand it? Have you read it carefully? According to the law, if you already have told the Court lies and now tell the truth, the Court may reduce any sentence passed on you or not punish you at all. Tell the truth.

Complainant:—This is my own case. I am telling the truth. I have been cheated of my money. If I am falsely accusing Pick, the Court may sentence me to severe punishment. I swear I am telling the truth. What I have told the Court to-day is nothing but the truth.

Was your name on the part scratched out?

Yes. I think it was.

What! You think! Then the money cheated was not yours but Ning's? The money was not Ning's. It was mine. I am telling the truth.

Mr. Schuhl here asked that complainant should be committed for perjury, and the Judge replied that that would be taken up at the conclusion of the case.

Ning's Denial of Any Loss

Ning Chiu-ling who signed his name with a cross, said he had studied Chinese but could not write his own name. He could not speak or write English. Complainant was his friend. Witness denied ever having been cheated by Pick or the other defendants or that he had ever handed any money to Chang to deliver to defendants. He could not say why his name was on the document.

The Judge—Is it true that Pick and his friends have cheated you and that you do not want to sue them yourself and have asked Chang to sue them instead?

Witness—No. Nothing of the sort. Is this the truth?—Yes.

The Judge here warned witness that, if it were later discovered that

he was lying, he would be committed for perjury. Witness replied that he was telling the truth. This ended the testimony and Mr. Bryan produced a sheet of paper from the British Consulate which showed that the watermark was the same as that which appeared on the photo.

Mr. Schuhl—That doesn't prove anything.

The Judge said that counsel could proceed with their arguments and he would give each one an hour and a half in which to finish but no more.

Mr. Schuhl began the arguments and mentioned that his client was the victim of a ridiculous charge. Counsel pointed out that there was not a thread of evidence against Pick and drew attention to the fact that complainant had constantly perjured himself and that the most important evidence in the case was not produced until the last minute, when the prosecution realized that they were fighting a losing fight.

Mr. Luchich finished his arguments on August 1 and entered a strong plea for Levitsky's dismissal on the

ground that Levitsky had nothing to do with the case, and that he was a scapegoat. Dr. Fischer spoke briefly in his client's behalf and mentioned the fact that Gordin had turned State's evidence and had given a clear-cut story in which he showed that Pick was the man actually responsible for the affair.

Mr. Bryan then asked the Court for a severe sentence and reviewed at length the evidence presented in Court. He denied that the case was a trumped-up one and said that the witnesses had been browbeaten, not cross-examined, by the lawyers for the defence, with the result that they were tripped up occasionally. Mr. Bryan drew attention to the fact that Mr. Schuhl had constantly looked over his shoulder at the documents for the prosecution. Counsel did not contend that what the plaintiff said was the whole truth: whether Pick got the money from Chang or Ning was immaterial. It was shown that he got the money. Regardless of who was defrauded or who the complainant was, it was clear that Pick had

obtained the money and had given the other accused portions, and he could be committed accordingly on this or some other charge.

Mr. Schuhl—Why don't you amend the charge?

Alleged Letter to Garcia

Mr. Bryan—Don't interrupt. I'm arguing. I didn't interrupt you.

Continuing, the Police Advocate said there was ample evidence to corroborate the charge. Pick got the "wind up" after he heard that the police were after him so he disappeared until December 30 and then came back for a day. Knowing that the police were still on his tracks, he left again and did not return until May. Counsel then read several letters, including one to Mr. Garcia, attributed to Pick which he described as attempts at blackmail. The envelopes were in Pick's handwriting.

Pick—Where is my name?

Mr. Schuhl—Where are the envelopes? Why aren't they produced?

Mr. Bryan made no reply but

went on to deal with other points in the testimony and concluded by asking the Court to impose severe sentences.

Major Holcomb then explained that the complainant Chang had not committed perjury as alleged by Mr. Schuhl: the explanation which he had given to the Court was quite plausible.

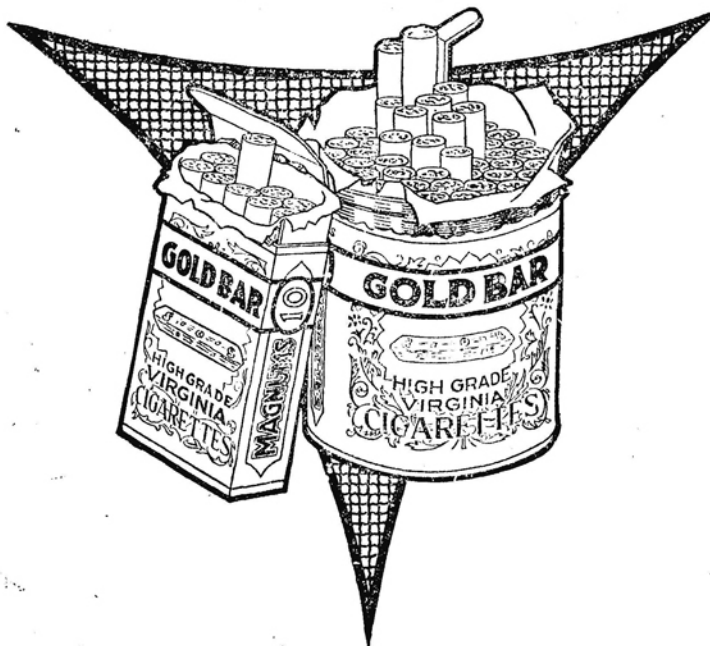
The case was adjourned for judgment.

COURT OF APPEAL

GUNTHER LOSES APPEAL

The case of C. Gunther, a German who appealed against a sentence of two years' imprisonment imposed on him at the Provisional Court, when he was convicted of trafficking in arms, was concluded in the Court of Appeal on July 31. The Court's decision was to the effect that the sentence given by the lower Court should stand.

There is no SPECULATION when
you buy GOLD BAR cigarettes
It's a CERTAINTY! ~~~~~



Gold Bar

CIGARETTES

EW-21.

This advertisement is issued by the British-American Tobacco Co., (China) Ltd.

FOREIGN TELEGRAMS

RESIGNATION OF FRENCH CABINET

M. Poincare Obligated to Relinquish Premiership to Undergo Operation: M. Briand Carries On

Paris, July 26.

The fact that the great French leader, M. Raymond Poincaré, who is 70 years old, is suffering from an internal trouble has occasioned the circulation of alarmist rumours, but it is now stated, on high authority, that the illness is not a grave one.

M. Poincaré has been ill since July 17, but nevertheless, has been receiving ministers every day.

This evening he informed his Cabinet that he is shortly undergoing an operation which will render it impossible for him to do any work for two or three months, and he has therefore, decided to tender his resignation of the Premiership to the President, M. Doumergue.

On receiving this information the Cabinet decided to depute M. Briand, the Minister for Foreign Affairs, and M. Louis Barthou, the Minister of Justice, to see the Premier to-morrow morning and to urge him, while taking the rest required for recovery from the operation, to remain as head of the Government.

Nevertheless it is pointed out that M. Poincaré does not desire to remain in office in the present state of foreign affairs, particularly as the operation he is undergoing will prevent him attending the Reparations Conference which meets at The Hague on August 5.

The New Premier

July 27.

The Cabinet has resigned.

It is learned that M. Raymond Poincaré persisted in his determination to resign despite a supreme appeal made by M. Briand, the Minister for Foreign Affairs, and M. Louis Barthou, the Minister of Justice, on behalf of his colleagues in the Cabinet. These two ministers called at M. Poincaré's house early this morning and begged him to retain the Premiership.

It is found that M. Poincaré must undergo an operation on the prostate gland, after which he will be compelled to take a complete rest for several months.

M. Briand, the Minister for Foreign Affairs, has agreed to form a Cabinet.

M. Briand's task of forming a cabinet will not be easy. In view

of the forthcoming Reparations Conference to be held at The Hague in August, it is desirable to include in the next Cabinet some Radicals, the largest group in the Chamber, but the Radicals will probably insist, as a condition of their joining the Government, on re-securing the Ministry of the Interior, which they regard as their own prerogative but which a non-Radical, M. Tardieu, is now filling, and on the eve of prospective Communist demonstrations on August 1, a change at the Ministry which controls the police would be a serious matter.

Old Ministry to Carry On

July 28.

After conferring with President Doumergue to-day, Mr. Briand, who is attempting to form a Cabinet, stated that the fundamental basis of the administration would remain unchanged, though he would attempt to "widen the scope somewhat."

July 29.

The Cabinet crisis is over. M. Briand went to the Elysée at noon, and, shortly afterwards, it was confirmed that the Cabinet will be the same as the last, minus M. Poincaré.

The Cabinet, therefore, will be:—

Premier and Minister for Foreign Affairs	A. Briand
Justice & Alsace Lorraine	L. Barthou
Finance	A. Chéron
Interior	A. Tardieu
War	P. Painlevé
Navy	G. Leygues
Air	L. Eyraud
Education	M. Marraud
Public Works	Forquet
Industry	Bonneviesse
Agriculture	Hennessy
Colonies	Maginot
Pensions	Antoniou
Labour	Loucheur

Though the Radicals, who are the largest group in the Chamber of Deputies, support M. Briand's foreign policy, they declined to enter his Cabinet.

M. Briand's Cabinet will be essentially a Cabinet for Foreign Affairs, and domestic politics will remain in abeyance throughout the autumn session of Parliament.

It is expected that M. Briand will proceed to the Hague backed by a massive parliamentary majority.—Reuter.

LANCASHIRE COTTON STRIKE

Eighteen Hundred Cotton Mills Idle Following Deadlock

London, July 27.

The Cotton Weavers Amalgamation has definitely refused to continue the wages discussion with the representatives of the employers.

The Master-Spinners Federation is now negotiating with the spinners and card-room workers' amalgamations in an effort to arrive at a separate settlement.

The card-room operatives subsequently informed the representatives of the employers that they were unable to continue the negotiations. So 300,000 weavers and 200,000 spinners and card-room workers will be unemployed to-morrow. Thousands of other workers connected with the industry will also be affected.

July 28.

The negotiations in the Lancashire cotton industry over the proposal of the employers to reduce wages have reached a deadlock in all sections of the industry. The stoppage will be general to-morrow.

No further meetings have been arranged.

The cotton manufacturers announce that the mills will open to-morrow at the reduced rates of wages, but all the cotton operatives unions, except those of the engine-men and firemen, have forbidden their members to work.

The story of the abortive negotiations is told in a long statement issued by Sir Horace Wilson, Secretary to the Ministry of Labour, revealing that an important section of the manufacturing operatives was not empowered to negotiate for a wage reduction, whereupon the operatives joint committee dissolved.

A spokesman of the employers to-day issued a statement regretting the fact that the representatives of the operatives were not authorized to negotiate a reduction in wages, which fact was discovered only after three days of negotiations.

On the other hand, the operatives declare that the employers refused their offer to submit the dispute to arbitration and to accept the decision of the Court of Arbitration.

The President of the Master Cotton Spinners Federation, in an interview, said that the mill-owners were ready to meet the operatives' leaders whenever the latter wished.

He thought a meeting would take place in the very near future which would lead to a definite settlement.

A Dark Outlook

July 29.

One thousand eight hundred cotton-mills are silent in Lancashire to-day.

The stoppage of work began in an atmosphere of gloom and drenching rain. The outlook is very dark, the only bright spot being the decision of a few owners to stand aside from the dispute and to carry on at the present rate of wages. These include Messrs. Tootal, Broadhurst Lee & Co., Ltd., who believe that research, and not a reduction in wages, is necessary to enable the Lancashire cotton industry to meet foreign competition.

Messrs. Tootal's 3,000 employees were working to-day as usual.

The Ministry of Labour, Miss Margaret Bondfield, is watching the situation with the gravest anxiety, but feels that no action is at present possible so far as the Government is concerned.—Reuter.

A Break-away

Manchester, July 29.

Only one per cent. of the members of the Federation of Master Cotton Spinners Associations have "broken away" since the lock-out started. The Federation is considering what action shall be taken in that connection.

The streets of many famous towns engaged in the cotton industry in Lancashire presented a holiday appearance to-day, when the operatives, in very cheerful mood, reported to their trade-union headquarters in connection with strike-pay. The operatives appear to be complacently accepting the situation.—Reuter.

London, July 30.

An extension of the stoppage of work in the cotton industry is threatened, consequent on the posting of notices by the Cotton Waste

Spinners and Manufacturers Association to expire on Monday.

This Association seeks a reduction of wages similar to that being pressed for by the employers in sections of the industry. Representatives of the Association will meet representatives of the workers in this particular branch of the cotton industry to-morrow to discuss the employers' demands.

Serious Effect on Artificial Silk

July 31.

The dispute in the Lancashire cotton industry is likely seriously to affect some of the thousands of employees working in Courtauld's great artificial-silk concern as a substantial percentage of the output of artificial-silk is normally absorbed by the Lancashire mills.

Three of Courtauld's artificial silk factories have closed down temporarily.

Messrs. 'Courtauld's have fourteen factories in England.

Personnel of Committee

The Committee appointed by the Government to inquire into the cotton industry will consist of Mr. W. Graham, President of the Board of Trade, Mr. A. V. Alexander, First Lord of the Admiralty, Mr. Joseph Jones, Secretary of the Yorkshire Mine Workers Association, Sir Alan Anderson, of Anderson, Green & Co. Ltd., managers of the Orient S. S. Line, and Sir William McIntock.

In the House of Commons last week the President of the Board of Trade said that the terms of reference of the inquiry into the cotton trade would be very broad. They would cover the condition of the industry and its power to recover its export markets, investigating in particular marketing in India, China and other countries.

Aug. 1.

The representatives of the Operative Cotton Spinners' Federation have decided to refer to the districts the question whether their executive should be empowered to negotiate with the Employers' representatives.

They meet again on August 5.—Reuter.

Keen Interest in America

N.C.D.N. SPECIAL SERVICE

Washington, July 30.

American cotton exports, which showed a serious decline several months ago, are now feeling the effects of the British strike and are increasingly occupying a focal point in the interest of United States export firms.

If the British situation continues, it is considered probable that the United States will make a drive for increased markets in the Orient and elsewhere. Such a campaign will probably take place in the near future if at all.

The United States' unfavourable trade balance of \$40,000,000 for last May is attributed almost entirely to a sharp decline of cotton exports. It is thought possible that exports.—United Press.

SOVIET AMBASSADOR IN LONDON

Dovgalevski's Hope of Resumption of Friendly Relations

London, July 29.

The Soviet Ambassador to France, Valerian Dovgalevski, arrived in London late last night.

Interviewed by Reuter's representative, he said he was full of hope that friendly relations between Great Britain and Russia would be resumed in the near future.

M. Dovgalevski is seeing the Minister for Foreign Affairs, Mr. Arthur Henderson, to-day. The length of his stay in England will depend on the progress of the negotiations to establish a durable agreement on controversial questions between the two countries.

An official communiqué issued by the Foreign Office this afternoon states that Mr. Arthur Henderson received the Soviet Envoy, Valerian Dovgalevski. The relationship between their two respective countries formed the subject of a friendly exchange of opinion, which lasted one-and-a-half hours, each explaining his point of view to the other.

The Soviet Envoy intimated that he would cable a report to his gov-

FURTHER DEBATE ON LORD LLOYD

Premier's Reply to Criticisms

Mr. Winston Churchill

London, July 26.

During the debate on the Lloyd affair in the House of Commons to-day, Sir Herbert Samuel, late High Commissioner in Palestine, deplored the revelation of differences between the Government and one of its representatives abroad, saying that he feared the debate would add to our future difficulties in Egypt. "All the facts must be known to the Conservative Opposition," he remarked, amid loud cheers from the Labour members. "The responsibility must rest with the challengers," he asserted, amid renewed cheers from the Labour benches.

The Prime Ministers appeal to the House to do no further damage to Egypt in this debate followed the speech made by Mr. Winston Churchill, which Mr. Ramsay MacDonald described as one capable of doing great mischief.

Mr. Winston Churchill had said that the Foreign Secretary made it very difficult for our representatives abroad to express their views with candour and courage, a statement which was cheered by the Conservatives. Mr. Churchill also declared that there was a streak of prejudice in the Foreign Office against Lord Lloyd, who was not a member of the Civil Service. He asserted the Government was anxious to change Lord Lloyd because he stood for firmness on British rights, and administrators, great and small, would have this example of what would happen if they refused to land themselves to sloppy surrender and retreat. (Conservative cheers).

The Prime Minister said Mr. Winston Churchill's attack on the Civil Service was unjustifiable and baseless. He declared that nobody was less surprised than the leaders of the Opposition that action had been taken in regard to Lord Lloyd.—Reuter.

The Treaty with Egypt

Cairo, July 27.

According to the newspaper "El Mokattam," Egyptian official circles understand that the British Government view sympathetically the Anglo-Egyptian Draft Treaty drawn up by the Egyptian negotiators under which the British High Commissioner in Egypt will become an Ambassador and the Egyptian Minister in London will be raised to Ambassadorial rank.

Other clauses in the new Draft Treaty stipulate that the Sudan Treaty of 1899, under which the Sudan was to be administered jointly by Great Britain and Egypt, will be recognized; that the Sudan debts to Egypt will be acknowledged and a small portion of the Egyptian army will return to the Sudan.

It is also laid down that Great Britain will agree to the abolition of the Foreign Capitulations and to the transfer of the powers of the Consular Courts to Mixed Courts; that Great Britain will relinquish her claims for the protection of minorities and that she will support Egypt with force of arms in case of aggression against the latter and that Egypt will similarly support Great Britain.

Lastly, according to the Draft Treaty, British forces in Egypt will be transferred to the Suez Canal zone.

The newspaper "El Mokattam" adds that the British Labour Government insist that such a Treaty should be ratified by a freely elected Egyptian parliament.—Reuter.

Version Not Wholly Accurate

London, July 27.

Reuter understands that the proposals for the Anglo-Egyptian Treaty, as adumbrated by the newspaper "El Mokattam," are now being discussed by a Cabinet sub-committee and the Service Department in London, though it is stated that the newspaper's version is incomplete and not fully accurate.

The proposals have not yet reached the Cabinet. The Egyptian Premier Mahmoud Pasha, who is spending the week-end with King Fuad, may refer to the matter next week.—Reuter.

ernment of the interview, and that he hoped to be able to resume the conversation to-morrow or on Wednesday.—Reuter.

GHASTLY CRUISER ACCIDENT

Seventeen Men Killed on H.M.S. Devonshire

London, July 26.

The Admiralty announces that 17 men have been injured in a serious gun-accident on board His Majesty's cruiser Devonshire, which was recently commissioned at Devonport, during fire practice in the eastern Mediterranean.—Reuter.

Malta, July 26.

The accident on the cruiser Devonshire is reported to have been caused by the blowing out of a new six-inch gun. Up to the present six men are reported dead and 25 injured.—Reuter.

London, July 27.

Up to the present only the barest facts concerning the explosion on the cruiser Devonshire are available. It is stated that the explosion blew away the whole of a gun turret which, apparently, was one of those allocated to the Royal Marine Corps. All those killed are marines.

After the explosion the Devonshire steamed to Volo (Thessaly) to transfer those injured to a hospital ship.—Reuter.

Athens, July 28.

The victims of the explosion on the cruiser Devonshire were buried at Volo to-day after a very impressive funeral, which was witnessed by dense crowds. Last honours were rendered by British sailors and marines and Greek troops.—Reuter.

London, July 28.

Another victim of the explosion on

the cruiser Devonshire died to-day, bringing the death-roll to seventeen.

Due to a Short Hang-fire

July 30.

The Admiralty states to-day that it has been ascertained that the disastrous explosion which occurred on board the cruiser Devonshire on July 26, when engaged in gun practice in the eastern Mediterranean, is attributed to a hang-fire of short duration in a gun of the eight-inch turret.

It would appear that, owing to the simultaneous discharge of the other guns, the gunner controlling the breech-mechanism thought his gun had also fired and the re-loading operation was started. It is probable that the mistake was discovered immediately but, before it could be rectified, the charge exploded and blew out the partially unlocked breech-block with great force.

The explosion also ignited the cordite charges waiting in the containers to be loaded for the next round.—Reuter.

BREMEN'S NEW TRANS-ATLANTIC RECORD

London Aug. 1.

The Norddeutscher Lloyd liner Bremen has arrived at Plymouth after a record voyage from New York. Her time for the trip was 4 days 14 hr. 30 min.

It will be remembered that on the western journey from Cherbourg to New York the Bremen made a record trip of 4 days 18 hr. 17 min. The difference between the two times is largely represented by the five hours lost travelling west from Europe to America.—Reuter.

COMMUNIST PLAN TO INVADE BELGIUM

Scheme of German Reds to Hold Demonstration

London, July 28.

A Communist procession, attempting to demonstrate outside the Chinese Legation here to-day, collided with the police, who dispersed the demonstrators nursing bruises.

July 30.

The German "invasion" of Belgium—namely the march across the frontier of 600 German communists "to demonstrate"—was forestalled as the result of wireless appeals to the neighbouring Belgian police.

This is one of the incidents described by Reuter's European correspondents in connection with the plans for "communists day" on August 1.

Anti-Communist action is also reported in Holland, Poland, Bulgaria and France.—Reuter.

Another Arrest in Paris

Paris, July 26.

The Secretary of the Communist Red Front organization has been arrested.—Reuter.

Paris, July 29.

Very extensive measures have been taken by the authorities for the preservation of peace and order on August 1, in the face of the threatened Communist demonstrations. In the capital alone 22,000 policemen and soldiers are being held in readiness with a very large number of motor cars especially mobilized so that these forces might quickly be moved to any place where need might arise. The 209 Communists arrested during the past few days will be brought before the courts on a charge of high treason.—Trans-ocean Kuo Min.

Preparations All Over Europe

Berlin, July 30.

With the approach of August 1, the day set by the Third Internationale for the staging of huge Communist demonstrations all over the world, drives against Communists are increasing in all parts of Europe.

In Paris about 200 Communists have been arrested and are now awaiting trial on a charge of sedition, will in Sofia the police claim to have discovered extensive plans for the holding on August 1 of huge anti-militarist demonstrations which, it is believed, will not materialize since 33 leading Communists have been arrested and the workers' club-house sealed up.

In Agram, the chief city of Southern Yugoslavia, a large number of students have been arrested following the discovery of a secret printing press within the building of the university.

Riga also reports scores of arrests in the Latvian capital as well as in Libau where extensive demonstrations were planned. The Brussels police also report that they continue to make arrests of Communists and that the Belgian authorities have refused to allow any Communist demonstrations. In the German cities the police are held in readiness against Communist as well as reactionary demonstrations.—Trans-Ocean Kuo Min.

Sofia, July 28.

As a precautionary measure against the threat of the Communists to stage a gigantic worldwide demonstration on August 1, the police to-day raided extremist organizations and made thirty-three arrests.

The newspaper "Rabot Nitezhsk Delo" has been suspended.—Reuter.

Outbreaks in Colombia

N.C.D.N. SPECIAL SERVICE

Bogota, Colombia, July 29.

Government action is being taken to-day to end a communistic uprising which resulted in bloody battles during the week-end.

As a result of the fighting, 12 are dead and 22 have suffered injuries. Among the scenes of the riots were La Gomes station, Libana, San Vicente and Chui Churi.—United Press.

Communists and Indian Strike

Calcutta, July 30.

There appear to be dangerous possibilities in connection with the strike in seven of the jute mills here. Strong pickets of strikers, wearing red badges, are parading the streets

trying to persuade the workers in the other mills to join them.

The police are active. There is a persistent rumour that a woman labour leader has been arrested.—Reuter.

Fire and Murder at Sarajevo

London, Aug. 1.

Europe's "Red Thursday", staged on instructions from Moscow as a protest against war on the fifteenth anniversary of the beginning of the Great War, was signalled by a red glare at two o'clock this morning at Sarajevo, the cradle of the World War, where the railway workshops were set on fire, apparently by communists.

Reuter's correspondent at Belgrade also reports that a message has been received from Sarajevo of the death of a communist, who was supposed to be conducting a squad of police to a secret communist printing-press but led them into an ambush. The police, however, killed the "guide" and themselves escaped without loss.

Reports received from Reuter's correspondents in the various capitals of Europe state that there have been 500 precautionary arrests of communists in Poland, a hundred in Yugoslavia, hundreds in Greece, scores in Rumania, sixty-four in Bulgaria and forty in France. Communist demonstrations have been forbidden by the authorities in Finland, Switzerland and Turkey.

A cordon of machine-guns has been established round Prague, in Czechoslovakia.

Reuter's correspondent in Paris wires that most elaborate precautions have been taken against disorders there. 30,000 troops are standing by to reinforce the police, if called upon, while a hundred lorries are being held in readiness to transport flying-squads to any point of the city. In addition aeroplanes have been detailed to circle over the city and vans equipped with wireless are patrolling the streets. Forty-eight foreigners have been deported. Thirty-one bombs were found in the corridor of an hotel yesterday.

Quite Like Old Times

Boarding a bus at Victoria Station as ordinary passengers eight Communist women and a man chained themselves to the seats on the top of the bus and refused to leave. Officials immediately drove the bus to Scotland Yard, the Communists on the way displaying banners and singing the Red Flag Internationale.

The police for a time were unable to loosen the chains, so the bus was left standing in a torrential downpour. The police later sawed through the seats and arrested the Communists.

Orderly communist processions at Limehouse and in other quarters of the East End have been the only evidences up to the present of "Red Thursday" in London.

Sarah Burl was fined 40/- at Bow Street for assaulting a policeman by squirting him from a soda water syphon in connection with the omnibus incident yesterday.

Burl received her sentence singing the Internationale. She had to be lifted from the dock and she was carried out of the police court kicking, struggling and singing.—Reuter.

Precautions in Peking

Peking, Aug. 1.

The authorities took elaborate precautions to prevent Communist troubles to-day.

Squads of soldiers, armed with execution swords, paraded in motor lorries while patrols of troops were stationed all over the city and, in addition, at all exits of the Legation Quarter in order to prevent possible demonstrators from marching in. So far the day has passed very quietly.—Reuter.

Paris, Aug. 1.

Up to the present there have been no signs of any "Red Outbreak." The police prefect M. Chiappe toured the metropolis and reports that the postal and general workers are carrying on normally.

There are similar reports from all parts of the country.—Reuter.

CZECHOSLOVAKIA AND ROULETTE

Prague, July 30.

The Czechoslovakian Government has given permission for the playing of roulette in the casino of the famous bathing resort of Karlsbad.—Trans-ocean Kuo Min.

DRAMATIC PRISON RIOT

Gaol Almost Destroyed by Fire: Captives' Fight to Escape

N.C.D.N. SPECIAL SERVICE

Auburn, N.Y., July 28.

Auburn's \$4,000,000 state prison is a shambles to-night as a result of an outbreak resulting in the killing of two convicts, the wounding of 11 and the escape of 11 more.

The prison was almost destroyed by fire and during a 10-hour machine-gun battle a small band of guards held 1,700 convicts at bay. The guards shot two men and gassed many more.

Prevention of a wholesale prison escape was termed a "miracle" by officials, who inspected the scene after the quelling of the trouble.

A riot started when prisoner ring-leaders overpowered the arsenal guards during a ball game. Apparently the affair had been planned for weeks.

A Sensational Affair

The warden, Mr. E. S. Jennings, at one time an officer of the U.S. Army, rallied the guards and directed the battle. Those endeavouring to escape dashed at the main gate, hurling gas bombs. Machine-guns were swung into action to supplement the guards' rifles.

At the same time a hurried call was sent for troops. By this evening 400 had arrived and others had been summoned.

To-night most of the prisoners have been huddled into the yards with the troops guarding them. Many of the prisoners have still barricaded themselves in, however, and there is occasional sniping.

Communications from the prison have been severed. At midnight portions of the fire was still burning. Two firemen were shot while trying to extinguish the flames, and one was hurt in a fall.

The affair is one of the most sensational prison riots in American penal history.—United Press.

THE SUIT AGAINST EUGENE O'NEILL

Playwright's Denial of Charge of Plagiarism

N.C.D.N. SPECIAL SERVICE

New York, July 28.

Although the famous American playwright Eugene O'Neill is still in Europe enjoying a honeymoon after his latest matrimonial venture, a reply was received here to-day from him in connection with George Ley's suit alleging plagiarism.

Ley charges that O'Neill stole the idea of his "The Temple of Pallas Athens" when he wrote "Strange Interlude."

Answering this charge, O'Neill denied it absolutely and added that he had never heard of Ley's work before the suit was filed.

"Strange Interlude" bears no resemblance to "The Temple of Pallas Athens," O'Neill said, "except such resemblance as is inevitable in works of similar theme."—United Press.

JAPAN'S POLICY OF RETRENCHMENT

Government's Proposal to Cut Down Expenditure

Tokyo, July 27.

In conformity with the Premier's policy of retrenchment, the Government has arranged for the curtailment of expenditure in the current budget by Yen 90,000,000, including reductions in the Navy and Army appropriations of Yen 8,000,000 and Yen 13,000,000 respectively.

The Navy Department has accepted the reduction, which consists chiefly in the postponement of earthquake reconstruction works at the Yokosuka naval base and in the cutting of maintenance costs.

The consent of the War Ministry to the reduction has not yet been given, but it is expected.

The curtailment applies to the fiscal year April 1, 1928 to March 31, 1930.—Reuter.

THE LOSS OF THE VESTRIS

Findings of the Board of Trade Inquiry

London, July 31.

The Board of Trade inquiry, into the loss of the Vestris, the Lampart & Holt liner which went down off the American coast last year, has now delivered its findings. It is stated that the vessel was in an unsafe condition when leaving Hoboken and was unfit to encounter the perils of the sea.

The following are enumerated as contributory causes to the disaster:—

Loading the vessel beyond the loadline.

Insufficient margin of stability and buoyancy reserve for heavy weather, causing a list.

The half-doors on the upper-deck were not watertight.

The inquiry found that the life-boats of the Vestris were in a seaworthy condition, that the arrangements for manning and launching them were efficient, and that the vessel was efficiently officered and manned.

Two Officials Blamed

It is stated in the newspapers that actions for huge sums, in the American courts, depend on the judgment given out by the Board of Trade inquiry regarding the sinking of the Lampart and Holt liner Vestris.

The Court of Inquiry has held forty sittings since April 23.

The judgment was a very lengthy one, the President of the Court answering *ad seriatim* 58 questions put by the Board of Trade.

The Court held, among other things, that some disorganization resulted from placing women and children in the boats on the port side in a mistaken application of the traditional order "Women and children first." The Court held that there was no lack of order or discipline among the crew, that the S.O.S. signal should have been sent out six hours earlier, and that the captain was unduly optimistic before the foundering of the vessel.

The Court held that David Cook, Vice-President, Haverty, Wheeler, the marine superintendent, of the New York agents of the shipping company were guilty of a wrongful act and default which was contributory to the loss of the Vestris. It ordered David Cook to pay \$500 towards the expenses of the Court of inquiry.

Finally the Court recommended that all foreign-going passenger ships should enjoy the same protection as regard safety of life as afforded emigrant ships by means of Board of Trade supervision.—Reuter.

EARTHQUAKE IN ECUADOR

N.C.D.N. SPECIAL SERVICE

Guayaquil, Ecuador, July 27.

Advices from Quito to-day state that a severe earthquake rocked the town of Tambillo.

It is believed that a number were killed. Many houses are known to have been destroyed.

At least 12 were killed at Flagelo. Crevices appeared there 200 ft. long and 12 ft. deep.

The volcano of Catopaxi is reported to have manifested unusual activity for the past several days.—United Press.

SLIDING SCALE FOR SUGAR TARIFF

N.C.D.N. SPECIAL SERVICE

Washington, July 29.

Senator Reed Smoot of Utah, chairman of the Senate Finance Committee, to-day submitted a sliding sugar tariff proposal before Republican members of the committee.

He declined to divulge the exact scale except to say that it was aimed to hold prices of wholesale sugars in New York to about 6 cents, giving Cuba the 2.76 cent rate provided in the House bill.—United Press.

THE GRAND DUCHESS ANASTASIA

Claimant to Title Seeking an Accounting of Estate

N.C.D.N. SPECIAL SERVICE

New York, July 29.

Madame Tschalkowsky, who claims to be the Grand Duchess Anastasia of Russia, to-day requested banks and trust companies to account for all funds and securities belonging to what she termed her "father's estate."

The fortune involved amounts to around \$100,000,000.

This case is being watched with especial interest. The banks are expected to refuse. Possibly an attempt at a writ of mandamus will follow, when it will be necessary to submit the matter to the President.

While the banks have no objection to giving up the property to rightful claimants, they are bound to protect themselves to the last ditch against surrender to anyone who has not given a most convincing and final proof of claim.—United Press.

Probability of a Garnishee

Washington, July 31.

A fourth claimant for the late Czar's millions administered by American banks has appeared in the person of the United States Government, the State Department having unofficially intimated that it would oppose any attempt by private individuals to attach these deposits which should be used to cover the debts to the United States of the short-lived Kerenski government, therefore, the United States Government would appeal to the courts to make a decision accordingly.—Transocean Kuomin.

STINNES ACQUITTED OF FRAUD

End of Important Trial in Berlin

Berlin, July 27.

Judgment was pronounced to-day in the case against Hugo Stinnes, a son of the late industrial leader, and others, who were charged with having tried to defraud the Reich of huge sums by offering for revaluation very large amounts of newly purchased war-loan stocks although only those purchased during the war were to come under the revaluation scheme. Stinnes and three others were found not guilty and were immediately released, whilst Stinnes' former secretary, von Waldow, and another man named Bela Gross were found guilty of attempted joint fraud and sentenced to four months imprisonment, the former's sentence being postponed for three years. Another of the accused was sentenced to a fine of Mks. 3,000 or one month's imprisonment.—Trans-Ocean Kuo Min.

LONG STAGE SERVICE IN AMERICA

Motor Line Connecting Los Angeles and Guatemala

N.C.D.N. SPECIAL SERVICE

St. Louis, July 28.

Picwick Stages announced to-day the opening on August 1 of a motor passenger and mail line from Los Angeles to Guatemala City, Guatemala.

The line will be 2,700 miles long. Subsequently the stage service will be extended to Salvador and Panama, it was stated.—United Press.

THE ELECTIONS IN HOLLAND

Right Majority in First Chamber Maintained

Amsterdam, July 26.

The Provincial States of 6 of the 11 provinces in the Netherlands have elected one-half of the members of the First Chamber, with the following result:

Eleven Catholics, five Socialists, three Christian Historicals, two Liberals, two Liberal Democrats, two Anti-Revolutionaries.

The Right maintain their majority in the Chamber.—Reuter.

ENDURANCE FLIGHT NEW RECORD

Four Hundred and Twenty
Hours Continuous Flying

N.C.N. SPECIAL SERVICE

St. Louis, July 27.

At 8.20 o'clock last night the St. Louis Robin, endurance flight aeroplane, had been aloft 325 hours or just over 13 1/2 days and was still flying strongly with no sign of faltering. The two pilots signalled to the ground that they were aiming at a 500-hour mark.

July 28.

High over the sun-baked Missouri plain here to-day the St. Louis Robin was still soaring this afternoon without a sign from the two aviators that they had experienced any trouble, mechanical or physical. They passed the 370 hour mark at 5 o'clock this evening and are going strong.

Two weeks in the air passed yesterday, and the fliers have sent only cheerful messages to the thousands crowding the airfield on the outskirts of St. Louis whence they took off 15 1/2 days ago.

Food, gasoline and oil are passed to them from attendant aeroplanes at regular intervals until it has become a routine almost without excitement. The public enthusiasm is growing at the amazing feat as the men continue aloft. The papers here and throughout the country have featured the event and the men are the heroes of the hour.

The fliers, Dale Jackson and Forest O'Brien, will get more than \$10,000 each in bonuses alone from their flight. They are getting \$100 an hour for every hour above the previous record when Loren Mendell and Peter Reinhart on July 12 came to earth after remaining up for more than 246 hours at Culver City.

Jackson and O'Brien are out to remain up at least 500 hours and they are confident of success.

July 30.

Completing an endurance flight of 420 hr. 20 min., or 17 1/2 days, the aeroplane St. Louis Robin reluctantly dropped to its home field at 7.40 o'clock this evening.

Dale Jackson and Forest O'Brien, the co-pilots, came down under orders from their backers after conducting an all-day battle by message.

During the course of the day the backers of the flight at last gave specific instructions that a descent must be made some time to-day. They said that they considered the primary object of the flight, the test of the motor, had already been amply attained.

Although for a time it was evident that there was a pronounced difference of opinion between backers and pilots, the ground crew continued its work of sending up fresh fuel and food.

"We won't starve the Robin on the wing," declared a spokesman for the flight sponsors.

A tremendous crowd was out to greet the two men when they finally glided down after breaking, by practically 174 hours, the record of 246 hr. 42 min. set up earlier in the month by Loren Mendell and Peter Reinhart at Culver City. Both men had been confident that they could remain up at least 500 hours.—United Press.

Endurance Flight's Tragic End

N.C.N. SPECIAL SERVICE

Minneapolis, July 29.

After 155 hours of endurance flight with refuelling, the aeroplane Minnesota crashed to-day and killed Capt. P. L. Crichton. Owen Haugh, land, his co-pilot, suffered injury.

Captain Crichton had flown to within 300 feet of the ground and dropped a note of instruction. Then he pulled back the stick and zoomed. The aeroplane stalled, went into a tailspin and plunged to the ground, the altitude being insufficient for the pilot to haul out of the spin.—United Press.

Another Fatal Crash

St. Louis, July 29.

George Lambert, 23-year-old son of Major Albert Bond Lambert, and a 19-year-old companion named Harold Jones crashed in an aeroplane and were instantly killed to-day near Black Jack, Missouri.

Major Lambert is a millionaire, the donor of the Lambert flying field. Reuter.—United Press.

SUDDEN END TO THE PACIFIC ATTEMPT

Bromley's Monoplane in Crash
While Taking Off

N.C.N. SPECIAL SERVICE

Tacoma, July 28.

Plans for a spectacular aeroplane flight over the Great Circle route from Tacoma to Tokyo and on to China ended in disaster to-day when Lieut. Harold Bromley's specially constructed Lockheed-Vega monoplane went into a "ground loop" and crashed on the take-off.

Bromley himself, sole occupant of the ship, was not hurt. He was so overcome with chagrin that he dashed off the field while firemen were still fighting flames which sprang from the wreckage after the accident.

The effort at take-off came early this morning, following long preparations and tests and elaborate study of weather conditions over the whole course of the proposed flight.

All was in readiness early to-day and Bromley turned off the proper revolution rate as he warmed his engine preparatory to the start. A large crowd was out to see the Lockheed-Vega, with its cigar-shaped fuselage tapered to battle with anticipated head winds, take the air.

When all was in readiness Bromley gave the signal and taxied into the breeze. After going about a quarter-mile the City of Tacoma, running at 35 miles an hour, swerved off to a right angle and suddenly turned on to the right wing and nose. The crash was at exactly 5.59 a.m.

Immediately after the accident a wisp of smoke appeared from the plane. An ambulance rushed to the scene but Bromley jumped from the ship unassisted and asked that he be rushed from the field. Firemen worked hard to prevent ignition of the 885-gallons of gasoline carried as fuel.

Examination of the wreckage showed the right wing to be wholly demolished. The nose was buried in the ground.

Another Attempt Probable

Providing his backers agree and the damaged City of Tacoma can be repaired, Lieut. Harold Bromley intends to make another attempt to fly from Tacoma to Tokyo, he said after a survey of the damage done.

Bromley explained that the accident occurred because he had been temporarily blinded by gasoline splashing out of the filled tanks through the "breather pipes" provided to allow inlet of air as the fuel drained out.

"Gasoline from the breather pipes splashed over my goggles," he said. "I tore them off and the gasoline then splashed into my unprotected eyes."

"I felt her going over and cut the switch to stop the engine."

Observers expressed the belief that Bromley's action in turning off the ignition probably averted more serious accident.—United Press.

Later.

Mayor James Newbigin telegraphed to-day to the Lockheed aeroplane factory to rush construction of a new plane in which Lieut. Harold Bromley might make his Tacoma-Tokyo trip which was interrupted by the crash of his City of Tacoma.

The mayor said that the aeroplane was to be built without delay, regardless of cost.

Lieutenant Bromley is to hop off once more as soon as the new ship can be made ready for him.—United Press.

PROPOSED SEATTLE-TOKYO FLIGHT

N.C.N. SPECIAL SERVICE

Seattle, July 30.

Robert Wark announced to-day that he will attempt a non-stop Seattle-to-Tokyo flight, refuelling at Dutch Harbour and some point on the coast of Asia.

He will carry two pilots. There will be room for 275 gallons of gasoline. A Curtiss Robin type of plane with a Challenger motor, a duplicate in almost all respects of the endurance ship St. Louis Robin, will be used.

Wark said he expects to start within six weeks.—United Press.

GRAF ZEPPELIN ON NEW TRIAL

Japanese Naval Officer Among
the Passengers Carried

Friedrichshafen, July 27.

A Japanese naval officer, Captain Namasaki, was among the 25 passengers on board the air-ship Graf Zeppelin, which started this morning on its first test flight since its return after the failure of the attempt made some weeks ago to fly to America, when the huge airship was compelled to turn back and land, temporarily, at an aerodrome on the south coast of France.

Another flight is planned for tomorrow when several members of the Japanese Embassy, including Captain Fujiyoshi and Captain Nangaku, will be on board.

Attempt to Steal Trip

Aug. 1.

The dirigible Graf Zeppelin left for America at 3.30 this morning.

There was a dramatic delay as the Graf Zeppelin was leaving its shed. A man was seen to jump from the roof of the shed on to the top of the air-ship, a distance of twelve feet. The Graf Zeppelin was brought to a standstill and the culprit was soon found on an inside gang-way and handed over to the police. The air-ship then took off with ease and speedily disappeared in the darkness.

Captain Von Schiller said to-day that the Graf Zeppelin, during its forthcoming flight across the Pacific, would follow the Great North Circle and would not go to Hawaii.—Reuter.

Gorillas, Canaries and Pigeons

N.C.N. SPECIAL SERVICE

New York, July 31.

Radio messages from Europe to-day revealed that the German round-the-world dirigible Graf Zeppelin, expected here in a few days to start its circuit of the globe, will bear the general aspect of a Noah's Ark of the air upon arrival in the United States.

The airship is to bring a gorilla named Susie, and likewise Susie's "boy friend". There will be 600 canaries. There will also be four Chinese pigeons belonging to the Chinese motion picture actress May Wong.

Miss Wong endeavoured to obtain a passage from Europe on the Graf Zeppelin but could not get it. She accordingly sent the birds to her brother in Hollywood, and incidentally secured some not unwelcome publicity for them both.

Ample provision has been made for the comfort of the human passengers, including a "wine cellar" containing two bottles of wine for each passenger per day. On the previous trip across the Atlantic there was much complaint because provisions ran low. Karl Von Wiegand, the Hearst correspondent on board, who recently visited the Far East, sent one radio report in which he related how the passengers had been reduced to a diet of champagne and caviar.—United Press.

Friedrichshafen, Aug. 1.

Latest reports received from the Graf Zeppelin say that she is progressing well, although she encountered strong headwinds when passing over France. There are on board 19 passengers and 1,500 kilograms of freight.

The Graf Zeppelin is taking a course towards Gibraltar. The last reports received here seven and a half hours after the departure of the airship say that everything is going well.—Trans-ocean Kuo Min.

NEW ALTITUDE RECORD

Los Angeles, July 27.

Waldo D. Waterman was believed to-day to have established an altitude record of 20,000 feet for a transport aeroplane carrying 2,200 lb.

The former altitude record stood at 16,732 ft.—United Press.

FRENCH WOMAN'S FEAT

Le Bourget, July 29.

Mlle. Maryse Bastie, aboard a 40 h.p. monoplane, has remained in the air for 26 hr. 46 min., beating by 22 min. the women's endurance record for a non-stop solo flight established by Miss Elinor Smith, America's "Flying Flapper," on April 25.—Reuter.

SOVIET AEROPLANE ON TOUR

First Russian Machine to Visit
England Since the War

London, July 30.

The triple-engined Soviet aeroplane, Wings of the Soviets, with nine passengers who are touring the European capitals, arrived at the Croydon aerodrome to-day.

This is the first Russian machine to visit England since the War.—Reuter.

FIRST CROSS-CHANNEL FLIGHT

M. Bleriot's Celebration of 20th
Anniversary

London, July 27.

M. Bleriot, the first cross-Channel flyer, flew here to-day, in a monster French bomber he has designed, from Le Bourget to participate in the celebrations in connection with the twentieth anniversary of his feat. He wore the traditional straw hat and was escorted by French and British military planes. He landed near the spot at Swingeat, marked by a memorial, where he came to ground in 1909.

M. Bleriot was received by the Mayor of Dover and Sir Sefton Branker, Air Vice-Marshal. Later he flew to Croydon and was welcomed by Lord Thomson, Secretary of State for Air, and thousands of enthusiasts.

He will be the guest of honour at a banquet at the Savoy this evening.—Reuter.

YANCEY AND WILLIAMS IN NEW YORK

Tumultuous Greeting on Ride
Through City

N.C.N. SPECIAL SERVICE

New York, July 28.

Lewis Yancey and Roger Williams, who flew the monoplane Pathfinder from Old Orchard to Santander early this month, arrived from Europe this morning on board the str. Republic.

The Mayor's official reception committee went out to meet the Republic aboard the municipal tug Macomb, greeting Yancey and Williams at Quarantine.

Both men will be guests of New York City for the next two days, following a tumultuous ride from the piers and an official greeting by Mayor James J. Walker at City Hall.—United Press.

SEAMEN'S UNION AND T.U.C.

Returning to the Fold After
Last Year's Expulsion

London, July 30.

The Seamen's Union is returning to the Trades Union Congress.

Under the guidance of the late Mr. Havelock Wilson, its founder, the Seamen's Union took up an entirely non-political attitude and was expelled from the Trades Union Congress last year because it supported the formation of non-political unions in the mining areas. As a result of the dispute with the Transport and General Workers' Union, stoppages have recently occurred at several ports.—Reuter.

FRANZ JOSEF LAND FOR THE SOVIET?

Flag Hoisted on Orders from
Moscow

Moscow, July 30.

Acting under Government orders, the Soviet Arctic Expedition has hoisted the Soviet flag over Franz Josef Land "as a token of the incorporation of the islands in the Soviet Union."—Reuter.

WASHINGTON, July 30:—President Hoover to-day appointed Mr. Samuel McKelvie of Nebraska as the eighth member of his new Federal Farm Board.—United Press.

JAMBOREE OF SCOUTS OF THE WORLD

Duke of Connaught Greeted
With a Big Yell

London, July 31.

Fifty thousand boy scouts representing 42 nations and 32 parts of the British Empire gave a big yell of welcome when the Duke of Connaught arrived at Arrow Park, Birkenhead, to open the international Jamboree.

The day was cold and a chilly rain fell heavily. Crowds arrived by ferry boats, motor coaches, private cars and some even by air. From early morning they settled round the great arena where from the royal box the Duke of Connaught this afternoon gave the signal for the show to begin.

The duke had previously lunched privately in camp with the Chief Scout, Sir Robert Baden Powell.

July 31

The rain ceased and the sun shone when the Duke of Connaught, wearing a scout garb, and Sir Robert Baden-Powell entered the Royal Box, as massed bands of Irish and Scottish pipers played the national anthem.

After the Duke of Connaught had declared the Jamboree open, Sir Robert Baden-Powell sounded "the scout rally" on a historic kadoo horn which the Chief Scout had captured from a Zulu chief in one of the Zulu wars.

An immense roar from the scouts following the rally electrified the concourse of spectators, who rose and stood bare-headed as a tribute to the unparalleled ovation. They began the great march past.

Aug. 1.

Despite a gale accompanied by torrential rain this morning, it was stated at York House that the Prince of Wales would carry out his intention to fly this afternoon from Hendon to attend the Boy Scouts' Jamboree at Birkenhead.—Reuter.

WIRELESS TO CATCH CRIMINALS

Police Intelligence Service Between
European Capitals

Berlin, July 30.

As a result of the recent exchange of views between the police authorities of London, Paris and Berlin, preparations are now being made for the early institution of a wireless police intelligence service between these capitals.

At present experiments are under way for finding the most suitable wave length for such a service and it is hoped that in the near future an international wireless police brigade will commence operations and will afford speedy means for the apprehension of criminals who might try to escape from one country to another. The new wireless service will also be used for the circulation of the photographs of such criminals.—Trans-ocean Kuo Min.

RELIGIOUS DIVISION OF INDIA

Novel Plan to Prevent Further
Outbreaks

Bombay, July 29.

A plan to divide India into separate Hindu and Moslem spheres and to convert the 70,000,000 people in India comprised in what are known as the "depressed classes" equally to Hinduism and Mahomedanism was mentioned by the well known nationalist leader, Mahomed Ali, when giving evidence before the Committee which is inquiring into the disturbances which broke out last February in Bombay between the Hindus and Mahomedans.

Mahomed Ali said the plan originated with the Aga Khan, the head of the Ismaili Mahomedans in India, whose followers at Ahmedabad and elsewhere, acting on this plan were converting men, women and children.

Mahomed Ali said that he had discussed the subject with Gandhi, who remarked, "It is doing a religious thing in an irreligious way."—Reuter.

ASTONISHING CASE IN MANILA

Strange Charge of Kidnapping Against a Consul

N.C.D.N. SPECIAL SERVICE

Manila, July 29.

Mr. H. K. Kwong, Chinese Consul-General to the Philippines, today reported to Nanking what he described as an insult to himself arising from charges of kidnapping.

It is expected here that the Ministry of Foreign Affairs of the National Government will lodge a protest with the Governor-General, Mr. Dwight F. Davis, as a result.

A fortnight ago a Chinese named Yu Chong-tian charged Mr. Kwong with kidnapping a 12-year-old girl named Yu Kim-po. The case was presented to the local fiscal, a Mr. Felix, who ordered a preliminary investigation and then subpoenaed the Consul-General.

Mr. Kwong alleged that he discovered some weeks ago that Yu Kim-po had been brought to the Philippines by Yu Chong-tian, who purchased her in China. The Consul-General learned that the girl had been brutally treated, and he sent her to the Chinese General Hospital until she was deported to Hongkong on the str. Empress of Asia on July 5.

The girl is now living in a charitable institution in Hongkong.

Mr. Kwong asserted that even before his own investigation was made, the Insular Bureau of Customs had ordered the girl to be deported on the ground that her entrance papers were faulty. The Consul-General maintained that the deportation of the girl was not at his initiative, but at that of the Bureau of Customs.

Mr. Kwong further alleged that the deportation papers were tampered with in order to make them read "voluntarily deported" instead of merely "deported."

The Charge Withdrawn

The Chinese Chamber of Commerce and leading Manila Chinese have adopted a resolution upholding their Consul-General in his action. Meanwhile Mr. Felix, the fiscal, has announced that the kidnapping charges have been withdrawn or dismissed.

Mr. Kwong complains that he has been the subject of an act of international discourtesy, holding:

(1) That the Insular Customs Officials ordered the deportation of the girl, and

(2) That the Consul-General is under orders from Nanking to deport undesirable Chinese from the Philippines, for which reason Mr. Kwong should not be held responsible personally for his actions under orders from his Government.

Local interest in the case is keen, and all circles are awaiting Nanking's expected formal protest to the Governor-General.

"The Slave Girl Case"

Later.

Answering protests of H. K. Kwong, Chinese Consul-General, against alleged discourtesy toward himself in the Yu Kim-po case, the Fiscal, Mr. Felix, this afternoon asserted that Mr. Kwong was not entitled to diplomatic courtesies and privileges.

"If a Consul commits an act punishable by law," said Mr. Felix, "he can and should be prosecuted. Fortunately for Mr. Kwong, I am glad to state that the charges against him were not substantiated and hence the case was dismissed."

Meanwhile representatives of more than 75 organizations in the Philippines have unanimously expressed their confidence in Mr. Kwong.

The Consul-General this afternoon stated that the case would not be made the basis for international controversy. He explained that since he was a Consul-General, he would in no circumstances deal directly with the office of the Governor-General, and hence he had notified Nanking in order that whatever action was taken can be made through normal diplomatic channels.

Because of the way in which Yu Kim-po was brought here from Hongkong, the incident is known locally as "the slave girl case."

Yu Kim-po's History

Mr. Kwong's supporters maintain that since Yu Kim-po became a public charge, the Consul-General acted properly and in accordance

NEW ZEALAND AND SINGAPORE

Greatest Importance Attached to Naval Defence

Wellington, July 27.

In response to inquiries the Prime Minister, Sir Joseph Ward, stated that the British Government's proposals with reference to naval defence had received the attention of the New Zealand Government which had communicated a tentative expression of views regarding them to London.

Sir Joseph Ward said that his message had made it clear that the New Zealand Government attached the greatest importance to the question of naval defence, and particularly to the naval base at Singapore. He declared that the views of New Zealand on the latter question had been expressed on previous occasions, and remained unaltered. He pointed out that New Zealand's interest in the Singapore base was indicated by the provision of a contribution of £1,000,000 of which two instalments totalling £250,000 had already been paid.

The hope was also expressed that no alteration in the policy of Imperial defence would be made without consultation with the Dominions, and Sir Joseph Ward added that it had been suggested to the British Government that the matter should be reserved for discussion at the next Imperial Conference.

July 31.

In the House of Representatives today, Sir Joseph Ward, the Premier, replying to a question said that New Zealand had already contributed £250,000 towards the cost of the Singapore Base. He stated that the Government attached very great importance to the Base, and that they were not willing to reconsider the contribution payable by New Zealand.—Reuter.

THE OPERATION ON M. POINCARÉ

Another One to Follow in a Few Days

Paris, Aug. 1.

M. Poincaré has undergone the operation, the necessity for which led to his resignation of the Premiership. His condition is satisfactory.

The operation, which was upon the prostate gland, took 20 minutes. It was the preliminary to the main operation which will be carried out in a few days. The main operation will take longer and will be more intricate.—Reuter.

ATTORNEY-GENERAL RE-ELECTED

Majority of Four Thousand over Conservatives

London, July 31.

The bye-election at Preston, necessitated by the appointment of Sir William Jowitt, K.C., as Attorney-General, has resulted in his re-election.

The voting was as follows:—Sir William Jowitt, K.C., Labour, 35,360 votes. Mr. Howitt, Conservative, 29,168 votes.

Mr. Holden, Independent, 410 votes. It will be remembered that at the recent general election Sir William Jowitt was elected as a Liberal, but subsequently joined the Labour Party on his appointment as Attorney-General.—Reuter.

with his official duties when he removed her into the care of outside parties pending other disposition of her, which finally took the form of her return to Hongkong at the instance of the Philippine authorities.

Yu Kim-po was the daughter of a poor Cantonese. She was captured by bandits and sold into slavery in Amoy, where she was purchased by a local Chinese businessman who brought her to the Philippines under an assumed name. He treated her brutally here, it was revealed by investigation of the Consul-General's office.

Mr. Kwong has attempted to locate her parents but was unsuccessful, due to the disturbed conditions in and about Amoy.—United Press.

DRAIN ON BRITAIN'S GOLD

Record Sale of Metal for Export by the Bank of England

London, July 30.

The Bank of England yesterday sold, for export, gold to the value of nearly \$5,000,000, which is a record transaction for one day; this following on the drain of gold which has been going on for some time past, mostly to France.

It is believed that this movement is bound up with the recent ratification by France of the Mellon-Berenger and Caillaux-Churchill Debt agreements, while it is also thought to be due to French political motives connected with the forthcoming Reparations Conference, which meets at the Hague on August 5.

Financial correspondents of the London newspapers this morning suggest that the Bank of France ought to step in and modify a process which threatens to cause dearer money rates on the London market; particularly as the gold reserve of the Bank of England has now been reduced to £145,500,000.

The Plimsoll Line

This is £7,500,000 below the financial Plimsoll-line referred to by Mr. Philip Snowden, the Chancellor of the Exchequer in his speech at the Bankers' banquet last Wednesday, when he said that the Government must continue to trust the Bank of England to deal with the existing monetary situation, but must be able to count on the best support of the other financial institutions of the country. On this occasion the Chancellor of the Exchequer expressed the hope that the monetary position due to the drain of gold abroad would be tidied over without an increase in the Bank Rate; the psychological effect of which, at the present time, would be injurious both to trade and enterprise, he said.

The "Daily Herald" to-day expresses grave concern at the indication that there must be an early increase in the Bank Rate. The newspaper declares that it is increasingly urgent to revise the present position, as a result of which the Bank of England is almost the sole arbiter of the economic fate of the nation.—Reuter.

SEQUEL TO MOTOR ACCIDENT

American Lady Charged with Second Degree Murder

N.C.D.N. SPECIAL SERVICE

Los Angeles, July 31.

A preliminary hearing was held to-day in the case in which Mrs. Alexander Pantages was charged with second degree murder as a result of the death of a Japanese named J. R. Okamoto under the wheels of her automobile.

Harry Lederdrink, who testified that the Pantages car was being driven at high speed at the time of the accident, told the court that someone had telephoned to him threatening his life.

Relatives of the Japanese have sued Mrs. Pantages for \$243,000.—United Press.

ADMIRAL TYRWHITT HONOURED

Former Naval C.-i-C. China Station Made a K.G.C.B.

London, July 31.

Admiral Sir Reginald Tyrwhitt has been created a Knight Grand Cross of the Order of the Bath, in recognition of his services as Commander-in-Chief, China Station.

Admiral Sir Osmond Brock has been promoted Admiral of the Fleet.

Captain A. F. B. Carpenter, V.C., who commanded *Vindictive* at Zeebrugge during the attack on the 23 April, 1918, has been promoted rear-admiral and placed on the retired list.

Captain K. G. B. Dewar, who was tried by court-martial in connection with the "Royal Oak" case and subsequently appointed to command *Tiger*, has been promoted rear-admiral and placed on the retired list.—Reuter.

NAVAL AGREEMENT CONVERSATIONS

Further Progress Reported in London

London, July 29.

It is authoritatively stated that substantial progress towards a Naval Agreement has been achieved at a further conference between Mr. Ramsay MacDonald, Mr. A. V. Alexander, First Lord of the Admiralty, General Charles G. Dawes, the United States Ambassador in London, and Mr. Hugh Gibson, the American Ambassador to Belgium.—Reuter.

U.S. Naval Programme Delayed

N.C.D.N. SPECIAL SERVICE

Portland, Me., July 27.

A charge that President Hoover was "entirely in error" in interpreting his authority to hold up cruiser construction was made to-day by Senator Frederick Hale, chairman of the Senate Naval Affairs Committee.

Senator Hale's statement was made following the receipt of a press dispatch stating that by the Hoover interpretation, the President could delay construction of the vessels under the Cruiser Act until June 30, 1931.—United Press.

An Earlier Conference

N.C.D.N. SPECIAL SERVICE

Washington, July 30.

It was learned here to-day that the United States and Great Britain are working toward an agreement which will enable the Powers to dispense with the projected 1932 conference and concentrate discussions of all naval problems upon an earlier conference, which is likely to be called in 1930.—United Press.

SUN-SPOTS EFFECT ON TELEGRAPHS

Statement by Mount Wilson Observatory

N.C.D.N. SPECIAL SERVICE

Pasadena, Cal., July 30.

Officials of the Mount Wilson observatory to-day announced that they were studying a sun-spot with an unusually strong magnetic field, which had already affected scientific instruments and also telegraphs.

At present no activity is being manifested, but it is expected by the scientists that communications will again be affected on August 12.—United Press.

FRAU ZOUBKOFF IN POVERTY

Forced to Let Villa and Sell Objets d'Art

Bonn, July 31.

The ex-Kaiser's sister, Frau Zoubkoff, who married a Russian nobleman two years ago, has left her villa and taken two small rooms in a small hotel in the neighbouring town of Mehlern for herself and one servant. She has commissioned an art dealer in Cologne to sell all the furniture of the villa, which is to be let unfurnished.

It was rumoured recently that she had had an interview with her brother, the ex-Kaiser, at Doorn, and that the latter had promised to pay her debts on condition that she separated from Zoubkoff.—Reuter.

BOBBY JONES AS A CONGRESSMAN

Suggestion that Golfer Should Run for Election

N.C.D.N. SPECIAL SERVICE

Atlanta, Ga., July 31.

Robert T. Jones Jr. may go from the links to the halls of Congress. Citizens of Canton, Ga., united to-day in urging Atlanta's famed "Bobby" to become a candidate for the House of Representatives to succeed the late Mr. Leslie J. Steele from the fifth district.

Jones is a lawyer in addition to being holder of many of the major golf titles of the world.—United Press.

THE OWEN YOUNG PLAN

Britain Not Yet Committed as to Distribution of Payments

London, July 26.

"In the essence, we are called on to foot the bill" declared the Rt. Hon. David Lloyd George, leader of the Liberal Party, when initiating the debate this evening in the House of Commons on the Owen Young Reparations Scheme.

"Quite so," agreed the Chancellor of the Exchequer, Mr. Philip Snowden. He emphasized, however, that the Government is in no wise committed to acceptance of the Owen Young plan, whereby, he said, Great Britain would just get enough to pay her annual payments of interest to America, whereas France, after meeting her debt payments, would have an annual surplus of £21,000,000, while all other creditors of Germany would likewise have a surplus.

The Chancellor of the Exchequer declared that Great Britain had agreed to the scale of German annuities laid down in the Owen Young plan, but would have a lot to say regarding their distribution, because Britain had reached the limits of concession. Her sacrifices had been magnanimous, generous, and quixotic, and there would be no more which a determined man could prevent.

The Reparations Conference

July 31.

The Chancellor of the Exchequer, Mr. Philip Snowden, the Minister for Foreign Affairs, Mr. Arthur Henderson and Mr. W. Graham, President of the Board of Trade, will represent Great Britain at The Hague Reparations Conference which meets on August 5.—Reuter.

French Cabinet's Appeal

Paris, July 31.

Mr. Briand, the Premier and Foreign Minister, in the Chamber of Deputies, and M. Barthou, in the Senate, to-day read the Ministerial declaration.

It appeals for a party truce for three months to enable the Government to defend the rights and interests of France in the forthcoming Reparations Conference to be held at The Hague on August 5. It adds: "Such a defence constitutes our real *raison d'être* and is our sole programme. We need all your confidence to help us to face the heaviest responsibilities which have weighed against any Government since the end of the War."

The Chamber, by 325 votes to 186, passed a vote of confidence in the Briand Government. The Socialists and Communists voted against the Government, which had the support of the Right and Centre parties. The Radicals abstained from voting.—Reuter.

BRITISH SUBMARINE TRAGEDY

Result of Court Martial on Commander of L-12

London, July 26.

After trial by court martial at Portsmouth, Lt. Keen, Officer of the watch on the submarine L-12 when the latter collided with and sank the submarine L-47 12 miles north-west of St. David's Head on July 9, has been found guilty of negligence in not taking adequate steps to avoid the L-47. He is sentenced to be dismissed his ship and severely reprimanded.—Reuter.

BUILDING H.M.S. EXETER NOT SUSPENDED

London, July 30.

The Admiralty denied the press report that the construction of the cruiser Exeter has been suspended. It points out that the Exeter was laid down under the 1927 programme, whereas the two suspended cruisers belong to the 1928 programme.—Reuter.

KING PROGRESSING STEADILY

London, July 28.

It was stated at Buckingham Palace last night that His Majesty's progress continues to be satisfactory. His Majesty during the afternoon walked for a short time in the grounds.—Reuter.

ANOTHER VOYAGE FOR THE DISCOVERY

Scott's Famous Ship to Go back to the Antarctic

London, Aug. 1.

Captain Scott's old ship, the Discovery, left the East India dock to-day on another expedition to the Antarctic.

The expedition is sponsored by the British, Australia and New Zealand governments and will continue the scientific investigations into the resources of the South Polar regions begun in 1911.

It will also develop the fisheries and investigate the economic resources and commercial possibilities of whaling.

Sir Douglas Mawson, who is commanding the expedition, joins the Discovery at Cape Town from where the ship will sail at the end of October.

The average age of the crew is thirty years.

Captain John Davis, the director of navigation for the commonwealth

COMMUNIST STUDY IN IN ECONOMICS

Russian Populace Starved to Increase Food Exports

Moscow, July 31.

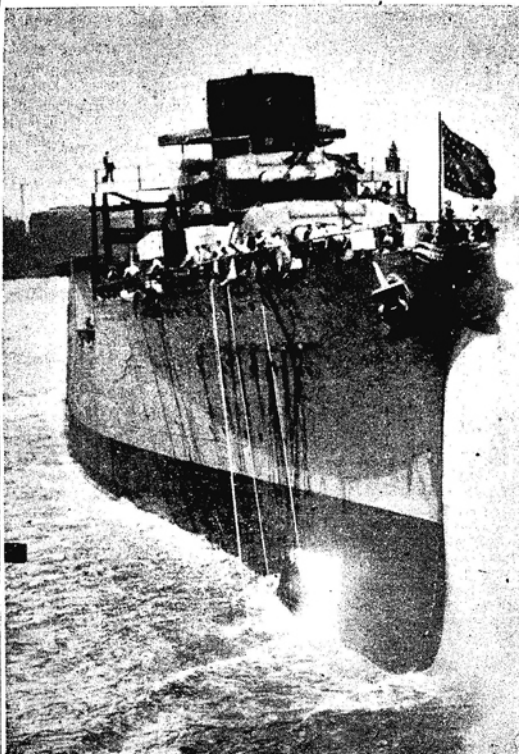
In view of the crisis in the supply of foodstuffs prevailing throughout the Soviet Union it came as a surprise when it was announced in statistics just published that the export of meat, game, butter, eggs and fish had increased during the first half of the present economic year by as much as RbIs, 4,000,000 compared with the exports of the corresponding period of last year.

The exports which were valued at RbIs, 59,000,000 remained however behind the figure which the Soviet authorities had hoped to attain. This was especially the case with butter and eggs, which, on the other hand, fetched higher prices than were paid last year.—Transocean Kuomin.

of Australia, was aboard the Discovery to-day.—Reuter.

NEW U.S. CRUISER LAUNCHED

Photo by International Newsreel



N.C.D.N. SPECIAL SERVICE

CAMDEN, N.J., July 3.—With soda water trickling down her bow, the U. S. S. Chester, latest of the Navy's 10,000-ton cruisers, slid down the ways into the Delaware River to-day and was far out before tugs halted the trip and warped her back to the pier for final touches. Miss James Turner Blain, niece of Mayor Samuel E. Blain, of Chester, smashed the bottle on the \$11,000,000 ship, and officially gave her a name. As the Chester picked up speed, shot down the smoking boards into the water and tossed up a cloud of spray the crowd of several thousands cheered.

The Chester, built by the New York Shipbuilding Co., is the third of eight similar cruisers authorized in 1924. She is 585 ft. 6 in. long, with a beam of 65 ft. 2 in. and a draft of 19 ft. 6 in.

Her speed is expected to be better than 33 knots. On her way to the water, the Chester passed her partially completed sister ship, the Salt Lake City.—United Press.

ENGLISH BANKER'S SUICIDE

Bedridden Invalid Found Dead in Bed With His Throat Cut

London, Aug. 1.

Sir Drummond-Fraser was found dead in his house at Blakeney in Norfolk on Monday with his throat cut. At the inquest to-day the jury brought in a verdict of suicide while of unsound mind.

Sir Drummond-Fraser, a former managing director of the Manchester and Liverpool District Bank, and also Organiser of International Credits under the League of Nations, was well known for his many writings on financial matters. He had a nervous breakdown in 1915 following the loss of two sons in the War and depression arising from the death of his wife. Subsequently he lost the use of his legs and was confined to his bed for six months with two nurses in attendance. The nurse on night duty left his bed-room for a moment in the morning and, on returning, found him lying with his throat cut by a razor. It appears that on Sunday Sir Drummond asked a maid to give him a case out of his chest-of-drawers, which she did, being quite unaware that it contained razors.—Reuter.

MUNIFICENT GIFT TO BOY SCOUTS

Mr. Schiff's Presentation to the Prince of Wales

London, Aug. 1.

Mr. Mortimer L. Schiff, a partner of the famous New York banking house of Kuhn Loeb & Co., to-day, at the Boys Scouts Jamboree, handed the Prince of Wales a cheque for £10,000 to establish a fund to promote international friendship among boys.

Peerage for the Founder

Lieutenant-General Sir Robert Baden-Powell, the founder of the organization of Boy Scouts and Girl Guides, has been created a Baron.

Like a Real Scout

The Prince of Wales flew to Hooton, from where he motored to Arrowe Park for the Jamboree, bringing with him brilliant sunshine. The night before there was a gale blowing and rain fell in torrents.

The Prince spent the night under canvas with the usual camp equipment: ground sheet, an old iron bedstead, a small deal table, a portable wash-stand, and canvas chairs, with a tallow candle as illuminant.—Reuter.

THE REPARATIONS CONFERENCE

Personnel of the French Delegation Announced

Paris, Aug. 1.

M. Briand, the Premier; M. A. Chéron, the Minister of Finance; M. Loucheur, Minister of Labour; and the Governor of the Bank of France, M. Moreau, will be the principal delegates at The Hague Reparations Conference which meets on August 5.

The evacuation of the Rhineland will be the *pièce de résistance* of the Conference, so General Guillaumat, Commander-in-Chief of the French Army on the Rhine, and M. Tirard, High-Commissioner of the Rhineland, are also going.—Reuter.

THE ANGLO-EGYPTIAN SENSATION

Treaty Initialed and Approved by Cabinet Committee

London, Aug. 2.

The draft Anglo-Egyptian Treaty which, according to report, has been initialed by the Foreign Secretary, Mr. Arthur Henderson, and the Egyptian Prime Minister, Mahmoud Pasha, has been approved by the Cabinet committee, appointed to examine it and will be submitted at a full meeting of the Cabinet this week-end.—Reuter.

ANGLO-RUSSIAN NEGOTIATIONS FAIL

Soviet Desire to Establish Relations First and Discuss Outstanding Questions After Turned Down by Mr. Henderson

London, August 1.

The Soviet Envoy, Valerian Dovgalevsky, returned to Paris to-day, having completed his mission in London which, according to a message received from Reuter's correspondent in Moscow, has ended without any tangible result.

The Tass Agency declares that Dovgalevsky, in his interview with Mr. Arthur Henderson on July 29, urged upon the British Foreign Secretary the immediate appointment of Ambassadors as being necessary. It is understood that, following these appointments, the Soviet would be agreeable to discuss outstanding questions in London. Immediate Resumption Impossible

The Foreign Secretary replied in emphatic terms that the immediate resumption of diplomatic relations between Britain and Russia was impossible. The British Government proposed first to open negotiations on all controversial questions not later than August 14 and invited the Soviet to send a delegation to London for that purpose.

In a second interview on Wednesday, Dovgalevsky handed the British Secretary for Foreign Affairs the reply of the Soviet Foreign Commissariat.

This reply, after noting "that the British Government is unable or unwilling to restore normal relations, otherwise it would not have advanced as a preliminary condition thereof that complex and controversial questions like mutual claims and counter-claims must be settled", added, "This new circumstance, which was not provided for in the British Note of July 17, necessitates new and

special consideration of the question. Therefore, the Foreign Commissariat is obliged to request further instructions from the Presidium of the Central Executive Committee of the U.S.S.R., whose next regular plenary session will consider the new British proposals."

Foreign Office Statement

A statement issued by the Foreign Office confirms that the conversations between the British Secretary for Foreign Affairs and the Russian Envoy Dovgalevsky will not be continued for the present.

The statement says that the Foreign Secretary, in the original invitation to the Soviet, made clear that a responsible representative would be welcomed with a view to discussing the most expeditious procedure for settling outstanding questions, including debts and propaganda. Though the reply received from the Soviet was somewhat ambiguous, it was presumed that Dovgalevsky was authorized to discuss such procedure.

Mr. Arthur Henderson told Dovgalevsky that he was anxious, during the parliamentary recess, to create a machinery dealing with debts, claims, trade, and so forth, so that he could seek authority when Parliament reassembled in October for an exchange of Ambassadors, even if a complete settlement of all outstanding questions had not been reached.

The statement concludes that the British Government has taken note that the Soviet will consider the new British proposals at the next regular plenary session of the Presidium of the Central Executive Committee of the U.S.S.R.—Reuter.

EUROPE'S PALE PINK COMMUNISTS

A Few Arrests Made in the Chief Capitals

London, Aug. 2.

Messages received from Reuter's correspondents all over Europe indicate that "Red Thursday" proved to be very pale pink. A few arrests were made in Paris, Berlin, Vienna, Berne and Kovno, but no shedding of blood occurred anywhere.

Big demonstrations were held in various cities in Russia. Half-a-million people paraded the streets of Moscow, where protests were uttered against "the British government's attitude in connection with the negotiations between Britain and the Soviet."—Reuter.

Paris, Aug. 2.

A census taken at the prisons throughout the country shows that 700 Communist demonstrators were arrested yesterday.

Two policemen were wounded at

CHINESE EDITOR ASSAULTED

Beaten Unconscious in His New York Office

N.C.D.N. SPECIAL SERVICE

New York, Aug. 1.

Eight alleged Chinese liberals to-day entered the office of Mr. Chan, editor of the "Chinese Journal," and beat him unconscious.

The men then fled, but one was arrested.—United Press.

Troyes where shots were fired during a scuffle.—Reuter.

Induced Weeping at Chicago

N.C.D.N. SPECIAL SERVICE

Chicago, Aug. 1.

Fifteen hundred communist sympathizers gathered at a meeting in the American Theatre here to-day and the affair developed into a riot which the police dispersed with the aid of tear bombs and night-sticks, backed up with substantial but non-damaging banana stalks.

Twenty were arrested.—United Press.

PRISON RIOT AT LEAVENWORTH

Four Casualties in Disorder Arising Over Question of Rice Quality

N.C.D.N. SPECIAL SERVICE

Leavenworth, Kan., Aug. 1.

One prisoner in the federal penitentiary was killed to-day and three were wounded in the course of six hours rioting.

A general prison escape was averted only by strenuous efforts on the part of guards.

The riot started when the prisoners began to throw plates and break up tables because they had been served with Mexican rice, which they previously had refused to eat.

Soon the men were tearing out cell bars and wrecking property generally. They were driven to their cells by the guards on the great wall outside, who opened fire.—United Press.

OBITUARY

Mr. Bernhard Baron

Dondon, Aug. 1.

The millionaire tobacco magnate, Chairman of Carreras, Ltd., Bernhard Baron, died suddenly to-day at the age of 78 years.

He was a Russian Jew and the son of very poor parents. Early in life he emigrated to America. Later he settled in England. After achieving success in business he frequently avowed his determination to die a poor man, and his charitable benefactions during recent years were enormous. They are estimated to have amounted to at least £2,000,000.—Reuter.

DOLLAR INTERESTS INCORPORATED

\$100,000,000 Corporation Formed in United States

N.C.D.N. SPECIAL SERVICE

San Francisco, Aug. 1.

Lines of the Robert Dollar steamship interests were incorporated to-day for \$100,000,000 under the name of the Dollar Steamship Lines, Ltd., Inc.

It has been decided that as part of its new programme the corporation will build two fast ships for inter-island trade in the Philippines. These ships will act as "feeders" to the large Dollar vessels.

Officials of the corporation are awaiting Washington's decision on mail contracts before announcing an extensive building programme, it is understood.—United Press.

JAPANESE MILITARY APPOINTMENTS

Tokyo, Aug. 1.

The War Office announces a number of important military appointments and promotions, including Lieutenant-General Jiro Minami, at present Vice-Chief of the General Staff, who is appointed to succeed General Hanzo Kanaya as Commander-in-Chief in Korea. General Hanzo Kanaya is appointed a member of the Supreme Military Council.

Lieutenant-General Rentaro Okamoto becomes Vice-Chief of the General Staff.

Major-General Saburo Sato has been appointed to succeed Major-General Tatakama as Military Attaché at Peking.—Reuter.

BASEBALL

Babe Ruth Gradually Climbing
Up the Home Run
Table

N.C.D.N. SPECIAL SERVICE

New York, Aug. 1.

Winning narrowly by a 1-0 score over the Braves, Chicago's Cubs today continued their march in the direction of the National League pennant although the second-place Pirates likewise won and pulled their percentage up out of the rut slightly.

Chicago now has a percentage of .674 while Pittsburgh stands at .621. In the American League the Athletics, winning while the Yanks lost, again approached the hundred-point lead margin they recently had. Philadelphia has .737, New York .638.

Cantwell's wildness in the first inning of the Boston-Chicago game lost the contest for the Braves. English hit a two-bagger and Hornsby walked. Wilson stepped to Welsh and Cuyler walked. Stephenson forced English for the one score of the game.

Adams and the two Waner brothers, Paul and Lloyd, made the Pirates' three tallies of the Philadelphia-Pittsburgh game. In the third innings, Thompson of the Phillies tripled and later scored the Phillies' lone run. Each team made six hits, while the Boston-Chicago contest had had but eight hits altogether—five for the Braves, three for the Cubs.

The Cardinals netted four runs in the first inning of their game with Brooklyn and that was almost their finish, the contest finally going to the Dodgers 12-5.

Scoring a total of nine hits as did Cincinnati, the Giants contrived to make their swatting count and they won 6-1 over the Reds on the latter's own home field.

Babe Ruth rapped out his twenty-fifth home run of 1929 in to-day's game against the White Sox, leaving him one run behind Lou Gehrig and eight behind Klein of the Phillies. Combs also contributed a home run, but Lyons showed superior pitching ability and it was the Sox' game 3-2.

Bishop of the Athletics made four hits which materialized into three runs, helping to a 7-4 victory over Detroit. Foss, who has been a regular contributor of home runs and doubles and triples, failed to hit at all to-day.

For the Indians, playing at Boston, Hodapp and Zinn starred as sluggers. Cleveland won 10-3, making 11 hits to nine for the Red Sox.

The St. Louis Browns led the Senators by a 9-1 score until the seventh inning, when the Senators cut loose and made five runs with seven more in the eighth for a 13-9 win.

THE HOME RUN TABLE

New York, Aug. 1.

Home run totals of leaders in both major leagues stood as follows at the close of play to-day:

Klein (Phillies)	33
Ott (Giants)	29
Wilson (Cubs)	27
Gehrig (Yankees)	26
Ruth (Yankees)	25
Foss (Athletics)	23
Simmons (Athletics)	23
Bottomley (Cardinals)	22
Hafey (Cardinals)	22
Hornsby (Cubs)	22
O'Doul (Phillies)	21

—United Press.

The following are the detailed results of to-day's games:—

American League			
Clubs	R.	H.	E.
Chicago	3	8	1
New York	2	6	0
Detroit	4	3	1
Philadelphia	7	12	1
Cleveland	10	11	1
Boston	3	9	0
St. Louis	9	10	1
Washington	13	13	2
National League			
Clubs	R.	H.	E.
New York	6	9	1
Cincinnati	1	9	2
Brooklyn	12	11	0
St. Louis	6	9	0
Philadelphia	1	6	1
Pittsburgh	3	6	0
Boston	0	5	1
Chicago	1	3	1

—United Press.

CHINESE SOLDIERS
IN HARBINAlleged Attack on American
Resident by Local
Police

Tokyo, Aug. 2.

A message from Harbin states that the outrageous conduct of the local Chinese police and soldiery has become a daily happening. Not infrequently foreigners are the victims.

The latest case in which a foreigner was subjected to physical violence at the hands of the Chinese police occurred on the streets, in broad daylight, on Tuesday afternoon, the victim being the American vice-consul, who was treated with violence when he tried to remonstrate against the brutal handling of an American who had roused the fire of the police.

The American consul has lodged a protest with the Chinese authorities concerning the affair.

It is also reported that the Consular Body is seriously concerned over the increasing violence of the local police.—Reuter.

Peking, Aug. 2.

The American Legation is without information regarding the alleged outrage on the American Vice-Consul at Harbin on Tuesday afternoon.—Reuter.

Tokyo, Aug. 2.

A further message from Harbin stated that the victim of police roughness, reported previously, was not the American Vice-Consul, but an American employee of the National City Bank of New York.

The American Consul visited the Chief of Police and demanded an explanation, reserving his right to protest if investigation of the occurrence justifies such a course.—Reuter.

CHANG CHUNG-CHANG
AND REVOLVERFriend Accidentally Shot by
Former Shantung War
Lord

Tokyo, Aug. 2.

Despatches from the Beppu hot spring resort report that at 8 o'clock yesterday evening, General Chang Chung-chang, who has been staying at the Showa-on Hotel since the downfall of his influence in China, while playing with a revolver in his room, accidentally shot and seriously wounded Mr. Hsien Hui, son of the late Prince Soh, who visited General Chang a few days ago taking advantage of the summer vacation, and who was then in the garden of the hotel. Investigations are now being made by the local police authorities, the same despatch adds.—Rengo.

ORDERS have been given to the Shanghai District Government by the Kiangsu Bureau of Civil Affairs to erect a number of buildings to accommodate the poor people, states the vernacular press.

A THOROUGHLY COMFORTABLE
QUIET HOTEL

Accommodation for over 100 guests

ALEXANDER HOTEL
No. 53/55 QUEENS GARDENS,
HYDE PARK, W. 2. LONDON

FROM Two minutes Kensington
£2. 17s. 6d. Gardens. Tubes and buses
WEEKLY. Inclusive weekly terms
from £2. 17s. 6d. Double
10s. 6d. from £5. 5s. 0d. or 10/6 per day
DAILY. PROVERBIAL
EXCELLENT FARE.

8/6 BUIIards, Dancing, Bridge
BED and Gas fire in every bed room
BKFST. Constant hot water. Night
Porter. NO EXTRAS.
Telegrams: "QUEGARCOR," London.
TARIFF FROM "THE HERALD"
OFFICE

Now on Sale

THE NORTH-CHINA
HONG LIST
FOR 1929

THE Hong List which includes the changes in Hong Staffs effected at the commencement of the year, contains accurate and complete information classified as follows:—

SHANGHAI HONG LIST.—All foreign and many Chinese firms, institutions, consulates, missions, etc., in Shanghai, with staffs arranged alphabetically.

SHANGHAI WHO'S WHO.—An alphabetical list of 11,800 business men and women of Shanghai, with their office addresses.

TRADE DIRECTORY.—A list of Shanghai firms are listed professional or trade headings.

AGENCIES.—Agencies held by Shanghai firms are listed alphabetically, with the firm's name after them.

STREET DIRECTORY.—A list of the streets of Shanghai in English and Chinese, with the occupants of all foreign and many Chinese houses, offices and stores.

RESIDENTIAL DIRECTORY.—A complete list of the foreign residents of Shanghai, men and women, arranged alphabetically, with their private addresses.

RAILWAYS.—A list of the Central and Northern Railways of China, with their foreign and Chinese staffs, including those resident in Shanghai.

MERCHANT MARINE OFFICERS.—An alphabetical list of marine officers on coast and riverine steamers trading to and from Shanghai.

FOREIGN NAVAL FORCES.—A list of foreign naval vessels and officers on the China Station.

DIPLOMATIC AND CONSULAR.—A list of all the diplomatic and consular officials in China.

OUTPORT HONG LIST.—A list of cities and outports with foreign firms and institutions and their staffs.

OUTPORT WHO'S WHO.—An alphabetical list of foreign residents, compiled from the Outport and Railway Sections of this work.

MISSIONARY DIRECTORY.—This gives the Protestant and Roman Catholic missionaries in China listed under their various stations, and also alphabetically, these lists being compiled from information obtained from the various Missions.

GENERAL.—National and Bank Holidays, Postal Information, Shanghai Harbour Regulations, Foreign and Chinese Calendars, Exchange Tables, etc.

PRICE \$9

ON SALE AT THE OFFICE OF

THE NORTH-CHINA DAILY NEWS

17 The Bund, Shanghai and at Local Bookstores

3240

Leaking Roofs



Everseal Waterproofing Materials will make your roofs permanently impervious to Water. Easily applied. Delivered ready for use. No heating or mixing. Large and small containers in stock. We are suppliers to Missions, Churches, Cities and thousands of private buildings in China.

Everseal will stand tropical heat and coldest climate. First cost is last.

Leaks in tanks or cisterns readily stopped. Ask to-day for free copy of illustrated catalogue and tell us about your roofs: whether metal, tile or concrete, size and conditions.

We will inform you without obligation how to make repairs or refer you to our nearest agent.



HEAD OFFICE FOR CHINA

3 CANTON ROAD, SHANGHAI

P.O. Box 1759

Cables: EVERSEAL

Seek Expert Advice

By Consulting

The China Stock and
Share Handbook

THE business of investing is a difficult one and requires specialised knowledge and seasoned judgment. The China Stock and Share Handbook saves you both time and effort involved in making a comprehensive study of Securities, Joint Stock Companies, Rates of Exchange, Loans, Banks, etc. In this book will be found comparisons of values, current and future possibilities and the trend of business, all factors with which the investor is concerned. Investments are only selected after an analysis of the Company's position in its earnings record and possibilities of future growth.

Price \$8.00

Obtainable at all Booksellers and the

NORTH-CHINA DAILY NEWS and HERALD, LTD.
Shanghai.

The most generally useful Medicine for all Climates

Dr. J. Collis Browne's
CHLORODYNE

Acts like a charm in

DIARRHŒA and
STOMACH CHILLS

and is the only specific in

CHOLERA and
DYSENTERY

Checks and arrests

FEVER, GROUP, AGUE

The reliable Family remedy for

INFLUENZA, COUGHS, COLDS

CATARRH, ASTHMA, BRONCHITIS

A true palliative in

Neuralgia, Gout, Rheumatism

Convincing Medical Testimony accompanies each Bottle. Of all Chemists.

Prices in England, 1/3, 3/6.

Always ask for—"DR. COLLIS BROWNE."

Sole Manufacturers: J. T. DAVENPORT, LTD., LONDON, S.E., ENGLAND

FROM THE FOUR WINDS

OUR LONDON LETTER

Stormy Times Ahead for the Government: Everyone Wants More: Temperance Reformers Feeling Hopeful: English Opera's Success: Triumph of Army Organization

FROM OUR OWN CORRESPONDENT

London, June 27.

The Labour Party has to-day been invited not to interfere with the Government during its term of office. In return, the Government will nominate two or three of its members to act on a consultative committee which will keep the Party informed of the acts and intentions of the Cabinet. The Consultative Committee will consist of about a dozen members and the Ministers appointed will act as liaison officers between the Cabinet and the party rank and file. The change is of great importance, for the reproach that the Government is unduly influenced by its supporters will be removed.

Though the Labour Government are very fortunate in having many favorable winds to start them on their career, in the way of the Reparations settlement, the Anglo-American rapprochement on the subject of disarmament, the coming evacuation of the Rhineland and the apparent revival of trade, there are people who predict stormy times ahead for them in the matter of the wage reductions that appear to be imminent in several trades. The miners are pressing for the immediate repeal of the Eight Hours Act and it is said that there is a definite understanding between the miners' executive and the Labour Party that the Government would consider itself under an obligation to repeal the Act during its first session. The miners' preference is for a 7½ hours' day, plus winding time. The owners are against any such reduction, as, under the present arrangement, the industry is only just able to pay its way.

The engineering industry is claiming an advance of 8s. a week and a corresponding advance for piece-time workers. Shipbuilding workers are also asking for increases, on the ground that there has been an improvement in trade. Shipping employers are going to deal with this at the end of the month, but the engineering employers say that they are going to withhold their decision until they know what the Labour Government is going to do about increasing or diminishing the burdens on industry.

At the annual conference of railway workers, last week, it was unanimously decided to terminate the agreement of August, 1928, by which wages were reduced by 2½ per cent. The railwaymen think that the restoration of the 2½ per cent. cut would be a splendid way of beginning a pension fund. The cotton workers are also combining to resist the proposed 12½ per cent. reduction in their wages which is being proposed by the employers. Apparently, every trade union wants to make hay while the sun shines, but the sun is not likely to shine very long if they put forward wage demands which are not practical.

Scotland Yard Improvements

There is little doubt that, since the appointment of Lord Byng as the Chief Commissioner of Police, there has been a general improvement in our police administration. He has now been at Scotland Yard for eight months and during that period a number of new arrangements have been made. More C.I.D. men are employed and a system of promotion by merit instead of entirely by time has been introduced. The Flying Squad personnel has been increased and more cars have been provided for them. A ring of police telephone boxes has been established all round London and cells have been established at "busy" points to accommodate prisoners until called for. Night motor patrols in the suburbs have been extended and motor-cells, complete with stretchers and breakdown equipment, have been added to the equipment of the force.

It will be a black time for the London criminal if Lord Byng

continues long at Scotland Yard. The night clubs, too, have to be very careful in these days. Fresh blood has been introduced into the personnel administering "C" district, which contains the majority of them and it is unlikely that the close scrutiny which now exists will permit of any more scandals.

Automatic Telephone Troubles

The new automatic telephone system is slowly spreading its tentacles over the London area and the Sloane Exchange is the latest victim to be caught in its meshes. As usual, the Press has been flooded with complaints from the outraged inhabitants of the area concerned. The Post Office issued an apology on the matter and one of its clauses read thus:—"One of the real troubles at Sloane is due to the fact that so many of the subscribers are not of the class who will take the trouble to use the telephone properly. They are leisured people who cannot be bothered."

This paragraph has particularly angered Mr. Arnold Bennett, who wrote an indignant letter to the "Daily Express" about it. He said:—"I should like to know what the subscriber is to do when the telephone remains entirely dead and deaf to every appeal for hours, even days at a time." He ended by saying that it would be difficult to exaggerate the annoyance and loss of time caused by the present system.

However, the automatic telephone has come to stay and there is no use crying out against its introduction. The transition period is bound to be difficult, but, once things get into their stride, we are unlikely to have many complaints. While there is not much to be gained as regards speed in getting a call through, the saving in labour is immense and ought to result in cheapening the service very materially in the future.

Temperance Hopes

Temperance reformers are hoping that the new Government will be much more favourable to them than the last. They observe hopefully that, among the new Ministers, are several fearless and convinced reformers and that the Labour Party went to the country pledged to set up a Royal Commission of inquiry into the whole problem. While the latter promise rules out any chance of their being able to introduce any measure of Local Option during the next year or so, there are several directions in which they can show their temperance zeal if they feel inclined to do so. In the first place, there is Mr. Churchill's legacy in the No. 2 Finance Bill which has yet to be passed, the 25 per cent. reduction in publicans' licence duties, which would cost the country about £1,000,000 a year, and the concession to off-licence holders to sell half-bottles of spirits. The drink trade paper, the "Morning Advertiser," seems already to have abandoned these two items of the last Churchill Budget, but it is very doubtful whether the Labour Party will dare to offend the trade when it really comes to the point of turning down the concessions in question.

Another matter is the permission of advertisements of alcohol in Post Office publications. This has been allowed of late, but the temperance enthusiasts would like to see it withdrawn. As far as the Royal Commission is concerned, the reformers would like to see this go thoroughly into such matters as Local Option, state management of the liquor business, the limitation of liquor-supplying clubs and a consideration of the London closing hour. A delegation of the Labour organization has already been investigating the Carlisle experiment, where the liquor supply is administered by the State. The Socialists claim that this is an instance of successful

State trading and some of them intimate that they would like to see a similar condition obtain throughout the country.

A National Park

According to the "Daily News," the Office of Works is giving serious consideration to the proposal of Lord Bledisloe that the Forest of Dean should be turned into a National Park. The suggestion was first put forward in 1925, after Lord Bledisloe had been on a visit to Canada and the United States. The idea behind such a park would be to provide a sanctuary for national flora and fauna, as well as a retreat for weary workers. Lord Bledisloe thinks that such a park should contain two or more "camps" in cleared spaces, with access to a good water-supply, permanent huts, entertainment bungalows and an open-air swimming-bath. He has offered to the Government a small farm which could be used in this connection.

Whether the Labour Government will accept the proposal remains to be seen, but, in their search for non-controversial and popular legislation, they may reasonably be expected to regard the suggestion in a favourable light.

New Fighting Aeroplane

Details are available of the new aeroplane which is being served out to the Home Defence section of the Royal Air Force. It is an all-steel single-seater which can attain a height of 4 miles in 13½ minutes and maintain a speed of 185 miles an hour even at that altitude. With a full load of machine-guns and ammunition it can reach a height of six miles. The geared engine develops 400 horse-power. Electrically-heated clothing and oxygen apparatus are part of the equipment.

English Opera Triumph

For the first time for a generation, an opera by an English composer has been produced at Covent Garden during a grand season. This was "Judith," by Eugene Goossens, the libretto being by Arnold Bennett, and it was played at Covent Garden for the first time on any stage. At the end of the opera, the enthusiasm was great.

It is a remarkable work for a first opera and should prove that in Mr. Goossens we have among us an operatic composer who counts and who leads one to hope that we may expect a great deal from him. The plot is familiar to everybody, for it follows the Biblical story closely. Mr. Bennett tells of the killing of Holofernes in terse nervous English, based on the authorized version; he has not embroidered it with psychological subtleties. The story moves without deviation of episodes, irrelevant or otherwise, except a dance, to its appointed end. This is a great merit, but it has the disadvantage that it gives the composer but little scope for variety of mood or atmosphere. The orchestra was masterly and, in spite of consistent sobriety, the music was never deficient in variety.

The Army Shows Us How

They say there is always a demand for born organisers. In that case, the supply should be sought at Aldershot, since never has anybody seen such perfect management of motor car traffic as on the occasion last week of the Aldershot Tattoo. Every day there were about 15,000 motor vehicles which made the journey. They embraced every type, from the last word in packed motor coaches and Rolls Royces, down to Baby Austins and motor cycles, not to mention push bicycles. About 120,000 visitors turned up on each night.

As we moved out of Farnborough, the Military Police took us in hand. According to our parking cards we were waved, without a moment's hesitation, along side streets round corners, with, at every 20 or 60 yards, a military policeman in the centre of the road to beckon us further on, with never a chance of losing the route, and with hardly any need to slacken speed. Besides, huge signs, indicating "to the Tattoo," faced us everywhere. Almost before we knew it, we were at our car park—in gigantic red lettering on white sheeting during the day, and at night coloured red lights in domino form, which one could

THE LIVING COMMUNE WITH THE DEAD

Japanese Buddhists Entertain Ghosts from Beyond the Veil

Feast Them and Then Bid Them Farewell: Quaint and Touching Ancient Custom

FROM OUR OWN CORRESPONDENT

Tokyo, July 15.

From July 13 till late this evening, all Japanese Buddhist homes, even these in the more sophisticated of the bigger cities which have adopted the external trappings of Westernism, communed with the spirits of the dead—entertained them, feasted them and then speeded them back to the unknown realms beyond the veil whence they came. All houses presented the appearance of mere skeletons, being open to the summer breeze on all sides, with people sauntering about in the lightest and fewest of garments (looking for all the world like ghosts themselves), with entrances to guide the ghosts to earth and back again to their mystic spirit-world, and with the curling smoke of incense or of sesamum-seed purifying whatever earthly dross there was before the spirits arrived. New straw mats were spread before the altars in the houses and before the little shrines, while every Japanese home was provided with a quaint minute meal in readiness for the great company of ghosts.

It is after dusk that one sees a picture not easily forgotten. The entrances of houses are gay with brightly coloured lanterns, young men and women wear their best garments and a hushed air of expectation pervades all, as though the spirits were actually in and amongst them and should not be made to feel uncomfortable when, once a year, they are permitted to visit the scenes where once they lived and dwelt. For those to whom the festival applies in a particular sense and not in a general one—that is to say, those who have recently lost some dear one—the cemeteries seem to be the places they desire most to visit, and there they pray, make offerings of food and flowers, burn incense, and wash tomb slabs with water, all in commemoration of those who have gone before, in much the same way that the West remembers on Memorial Day or all Souls Day those near and dear to them. At nearly every grave lighted lanterns are hung and cemeteries in Japan at this season take on an eerie appearance as the flimsy lanterns swing and flicker in the summer breeze.

The Future Life

To understand the feelings of the Japanese in connection with this Festival of the Dead, it is necessary to remember the conception of the Japanese peasant as regards a future life. This conception is not a very delightful one. At death the body is washed and shaven and then arrayed in the white garment of a pilgrim. Round the neck is hung a wallet containing money, which is buried with the deceased, the idea being that all who die, with the exception of children, must journey to the Sanzu-no-Kawa, or "the River of the Three Roads." Here, the Old Woman of the Three Roads, with her husband, awaits the coming of souls and, if she is not appeased by some monetary gift, she takes away the clothes of the dead, regardless of entreaties, and hangs them on high trees. Then there is the Lord of the Dead (Emma-O) and a host of other deities and dread figures who have to be pacified and whose wrath has to be softened. In addition, there are the rigours of the various Buddhist hells and it is not surprising that the imaginative Japanese should have sought some way whereby a pleasant, even if brief, respite could be afforded the dead from the horrors of Hades.

It is on the last day that the

pick up a mile off. Our position was indicated, we were told we could leave the car as it stood, if it rained the hood and windows would be put up for us, we were warned to take our wraps to the Tattoo, and we were simply told not to forget the car park regulations.

At 11.45 to 12 we returned. The car parks were all ablaze with distinctive coloured lights. There stood the cars, in head homeward

climax of the festival is reached, for on the 15th all ghosts are symbolically fed, including those who have no friends amongst the living to care for them. There is a legend, borrowed from India, bearing upon this particular phase of the Festival of the Dead. One of Buddha's best-beloved disciples was permitted to see the soul of his mother in the Gakido, one of the numerous stages of purgatory. He grieved very much to witness her sufferings and, to assuage her pain, gave her a bowl containing some choice food. Every time she tried to eat the food it would turn into fire and then to ashes. The disciple thereupon asked the Buddha to tell him what he could do to lessen his mother's sufferings, and was told to feed the spirits of the great priests of all countries on the fifteenth day of the seventh month. The disciple did this and then returned to the Gakido, where he found his mother dancing for joy, and in this happy dance may be traced the origin of the Bon Odori, which takes place on the third night of the festival.

A Famous Dance

The greater number of these old-time observances have vanished from the bigger cities. It is true that in Tokyo there a form of the Bon Dance is staged, but this dance is as strange to Tokyo people as it is to a foreigner, and, instead of the spontaneity that characterises these religious dances in the country districts, it is only too obvious that, in the cities, the effect is forced and is no more than stage acting. Even as the villagers of Oberammergau look forward eagerly to being included in the cast that has made that Bavarian village famous, so do the young girls of the remoter Japanese regions look forward to the O-Bon season, with its culminating event, the O-Bon dance. For many it is the only holiday in the year, while in the villages it is the only season when young men and young women may mix freely without the latter being escorted by duenna-like chaperones. As the day of the dance approaches, the hearts of the girls beat faster, for it is at the O-Bon dance that the village swains choose their brides, while the words of the chant slowly change from religious prayer and supplication to reminders that the good dancer may win a handsome husband. "Dance, ye maidens, throw care to the winds, and remember that it all depends on you whether to-morrow you may be a bonny bride." Thus runs one of the ditties, and the dancers frolic with increasing momentum until the third night of the Feast of the Dead wears itself into the glory of a new dawn.

On the evening of the third day, preparations are made to bid the spirits farewell. Fires once again burn before every door and lanterns wink pale, ghostly eyes in graveyards and temples, this time to light the spirits back to the realms whence they came. Tens of thousands of tiny boats that can be purchased for a few sen are packed with food and tender messages of farewell, and loving hands set the frail craft upon river, lake, or sea. A small incense stick glows at the prow of many and, with the boats shrouded by pale-blue clouds of incense smoke, the spirits go down creeks and rivers and canals. The festival is by no means unique, as it corresponds to the Indian Shodha, but in Japan it is touched with a more delicate and haunting beauty.

turned rows, with such an amount of intervening space that any car in any position could leave without difficulty at any time, merely waiting its turn to get into the outlet private road alongside. No one had ever bothered us; there was no fussiness; everyone had helped, and the sole appeal broadcast by loud speakers at the Tattoo was that we should not make more noise than we could help in passing the hospital.

OUR AUSTRALIAN LETTER

**Cattle Stations for Sale: New Fodder for Sheep: Censoring
Talkie Films: Serious Allegations at Air
Tragedy Inquiry**

FROM OUR OWN CORRESPONDENT

Melbourne, June 21.

It is an unusual occurrence for the new government of an Australian State to sweep clean immediately upon obtaining office. The usual procedure has been to pass tedious amendments to the Acts in force, or to put forward for a year or two suggested alterations to the policy of the previous government. In Queensland, no such acts of courtesy, if they may be termed such, are taking place. The new Nationalist government waves a magic wand and what was is not. One instance is the so-called "State Enterprises," including numerous cattle stations which the Labour Party, in the innocence of its heart, bought, under the impression that a government could run a cattle station just as well as a private individual. For some years now this dream has failed to be realized. The Nationalist Party do not intend that it ever shall be, for they have offered for sale all the stations the Labour Party herded. These include some famous properties, notably Brooklyn, Lyndhurst, Maitland Downs, Wandavale, Dotswood, Vanook, Strathmore, Dunbar, Kapee, Merluna, York, Downs, Keerongooloo, and Buckingham Downs. The total number of cattle at the moment roaming these properties is estimated at between 130,000 and 140,000. The above stations will be sold by auction on September 3.

It was these stations which probably supplied much of the meat sold in the State butcheries which the Labour government established in Brisbane, but such is the fate of Government enterprise in this country that, even though the cattle were bred on government-owned stations, carried on government-owned railways, and sold in government-owned retail butcheries, people grumbled at the price of the meat, and the butcheries failed to pay, likewise the railways and the cattle stations. Yet the optimist still exists who would see the government nationalize the coal industry and thus develop another puddle for political opponents to waddle in, forming a quagmire in which the existing party in power is almost certain to sink out of sight at a new election. Socialistic enterprises during a reign of fourteen years did not ruin Queensland, but there is no other State in Australia which is not pleased that the experiment was tried in the north instead of being inflicted upon them.

Feeding Rice to Sheep

While one part of Australia—the north mainly—has had a plentiful supply of rain which stayed the ravages of drought at a time when ruin stared the settlers in the face, the other section—northern South Australia and western New South Wales—is suffering from a very severe drought. The Rev. S. G. Drummond, who has completed a tour of the drought area, embracing some 3,500 miles, speaks in anguished tones of the west of New South Wales. Sir Victor Wilson, travelling through northern South Australia, speaks about seas of dust. In the Tiboburra region, some stations have been closed and the natives in this country are being forced into civilization owing to the scarcity of water.

On the Bogan it was reported that one stock owner has been paying £25 a week for over three months to have water carted to his place. On the Murrumbidgee River, near Darlington, Mr. J. Ross, of Uri Station, was compelled, owing to the high cost of fodder for his sheep, to experiment with rice. On five days in the week he has been feeding 3,000 merino hoggets half-a-pound of rice per day, and hay on the other two days. The sheep are thriving on this new fodder and, as the rice is second grade from the Murrumbidgee irrigation area, where rice has been grown for some years and, owing to a sound market for it being found,

the industry is in a flourishing condition, the price is reasonable, being £7 10s. a ton. That many other breeders will try the new fodder is shown by the fact that, after Mr. Ross had proved it a success, his neighbours also took to feeding rice to their stock.

Whether the Murrumbidgee area will be able to meet the demand remains to be seen, for, besides the sheep men, the poultry farmers have also discovered that cracked and broken rice is an excellent food for laying hens. This rice industry which was once pooh-poohed in and out of Parliament, seems likely to develop for stock as well as for humans and, with the ample supply of water from the Burrinjuck Weir to feed the thirsty soil of the Western Plains, thousands of extra acres of land can be used for producing rice.

The Talkie Films

All manners of people interested in education are blowing off steam over the new talkie films which are invading this country. One argument put forward is that the talkie film is likely to become one of the main channels for education in this country. It is argued that the English spoken should be English and not the jargon of a Bowery tough or the slang of a Sing-Sing criminal. Crook films have in the past actually led some of the weaker intellects into the path of crime, like the stories of famous bushrangers, which, retold to children, caused them to attempt to emulate these "heroes." A case in point as regards the latter was the youth of some 16 years of age who, a few years ago, in Victoria, attempted to become a bushranger and, in fact, did hold up a number of people. When tracked down by the police, he put up such a fight that they were compelled to kill him.

The educationalists argue that the talkie film will do even more damage than the silent one, for the spoken words will leave a greater impression upon the mind. A censorship of the script is demanded and no doubt this will be granted. It is an excellent opportunity for immediate legislation because in nearly every State there is on exhibition a talkie film in which the hero adopts all the skill and bravado of an American crook.

Air Tragedy Inquiry

While strikes steadily progress from week to week until they become advertised by the daily papers as if they were some popular form of play which has run for 12 weeks in a theatre and is likely to close down at any minute if you do not hurry to see it, the Air Inquiry wanders from State to State collecting evidence. The shameful part of the business is the continual allegations that the losing of the Southern Cross was in reality a "stunt." Several men have given evidence to the effect that Flight-Lieutenant Ulm had suggested getting lost as far back as 1927 as a means of raising money through causing public sympathy.

The main witness is William Angus Todd, a master mariner, who has related a conversation in an hotel in San Francisco at a time when Todd was engaged to act as navigator by Smith and Ulm. Witnesses have come forward of their own free will to give evidence to the effect that Todd had told them he would do Ulm a bad turn if ever he got a chance. So much has been said both ways that the inquiry is likely to develop into two sets of witnesses calling each other liars. The whole business is becoming very unsavoury indeed, though the attack is entirely launched against Ulm, even Todd declaring that he could not remember whether Kingsford Smith was present at any of the alleged conversations or not. Most people are too astonished at the astounding allegations to even realize that the fate of two intrepid and tried airmen—socially, at any rate—is in the balance.

SPECIAL ARTICLES

THE STORY OF THE CHINESE EASTERN RAILWAY

1.—The Political Background in the 'Nineties

BY GEORGE E. SOKOLSKY

Intrigue and political chicanery gave birth to the Chinese Eastern Railway. Originally designed for military and political strategy, it remains to this day a cause of international disturbance and possibly war. In spite of the fact that the miraculous agricultural development of Manchuria has made the line an economically sound proposition, the Chinese Eastern Railway must continue to represent to Soviet Russia as it did to Tsarist Russia the 6,000 mile link between Moscow and Vladivostok, the outlet on the Pacific. From the days of Muraviev Amursky, the Russian snowball had been rolling towards the Pacific; first, the entire Amur Valley was taken by the Treaty of Aigun, and then Saghalien and Kamchatka. And still the snowball was rolling, growing larger and firmer (though paradoxically) as its movement was being directed towards an ice-free port on the Pacific, an achievement which could only be accomplished at the expense of China.

The Dreibund

In the 'nineties, others were seeking to gain Chinese ports and Chinese territory. The Battle of Concessions was being vigorously fought and throughout this inglorious period, Russia and France were coadjutors. At the end of the Sino-Japanese War, they were joined by Germany in the notorious Dreibund which robbed Japan of the fruits of Shimonoseki, only to take more from China than that treaty would have given to Japan.

Until the Trans-Siberian Railway was built, three Russian lines stopped abruptly at the Urals, leaving the means of communication beyond in Siberia hopelessly inadequate for economic, political or military purposes. It was therefore natural that the Russians should consider the advisability of a trans-continental line, notwithstanding the stupendous problems involved in such an undertaking. Meanwhile, Li Hung-chang had been interesting himself in railway problems in Manchuria and North China and had employed (in 1890) Mr. Kinder, a British engineer, to survey a route from Shanhaikuan, through Mukden, to Hunchun. The Russians were undoubtedly aware of this survey.

It would be interesting here to note that up to the Sino-Japanese War, it had been Li Hung-chang's tendency to rely upon such commercial nations as Great Britain and the United States, and he undoubtedly feared Russia as the bear whose claws were seeking to grasp Korea, after which Manchuria would be in danger.

Witte's Railway Vision

After Shimonoseki, however, the Dreibund came to his rescue and saved the Liaotung peninsula (temporarily, as it turned out) so that his orientation changed towards Russia, which had become the friend in need. And in Russia, there was the brilliant Minister of Finance, Witte, whose genius made the Chinese Eastern Railway possible and whose financial assistance gave Li Hung-chang the funds to pay Japan the first instalment of the indemnity required by the treaty of Shimonoseki after the Dreibund had deprived Japan of its territorial gains at Liaotung. Witte realized that the natural course for the Trans-Siberian Railway was the route across North Manchuria to Vladivostok, which would effect a saving of 340 miles. There were those in St. Petersburg who favoured a route from Kiachta to Peking, but Witte saw clearly enough that the whole of Europe would oppose a Russian venture which made the capital of China the terminus of a Russian-owned and controlled railway.

The French Railway Concession

Russian and French intrigue became particularly active after the

signing of the Treaty of Shimonoseki, which provided that China was to pay an indemnity of Tls. 200,000,000 plus an additional indemnity of Tls. 30,000,000 for the retrocession of Liaotung, which the Dreibund had effected. Where was China to find this money? Russia undertook to act as the agent and her French ally was soon in negotiation for a loan to meet the first instalment. It was during these negotiations that France raised the question of certain claims, which resulted in the delimitation of the Sino-Annam frontier and secondly in the granting of the first railway concession to a European Power. The Sino-French treaty provided:

1. To open to trade and residence three new treaty ports upon the Sino-Annam frontier.
2. To allow certain reductions of the Customs tariff.
3. In "the exploitation of its mines in the provinces of Yunnan, Kuangsi and Kuangtung," to "call upon, in the first instance, French manufacturers and engineers."
4. To continue "on Chinese territory either those 'railways' already in existence or those projected in Annam—after mutual agreement, and under conditions to be defined."

For details of this negotiation, see Philip Joseph's "Foreign Diplomacy in China 1894-1900" and Paul Hibbert Clyde's "International Rivalries in Manchuria 1689-1922."

Growth of French Ascendancy

The loan of 400,000,000 francs, floated on the French market, gave the appearance of complete Russo-French domination of Peking. Great Britain protested against the new French treaties on the ground that China had made previous commitments under Article V of the British-Chinese Treaty of 1894. The Chinese nevertheless signed the French agreement.

Mr. Gerard, French Minister, in his Memoirs entitled "*Ma Mission en Chine*," indicates complete Russian support. "My Russian colleague," he said "had received from Prince Lobanoff an order to support my declaration."

China's Need of Money

The extension of the Indo-China railway into South China now became the principal issue. China insisted that to grant the demand would menace China's territorial integrity and other reasons were found why this road should not be built. At this time, there was only one railway in China, from the Tongshan mines to Lutai and thence to Tientsin, with a northern extension to Shaohou. Both Li Hung-chang and Chang Chih-tung favoured railway development but they were more interested in internal than in frontier lines and they wanted the railways built for China by Chinese rather than by foreign contractors and concessionaires. They had rather build the railway with borrowed money than grant concessions which might have political consequences.

The French, however, insisted upon the concession and they were fully supported by the Russians. And China needed the money to pay the Sino-Japanese war indemnity and Russia was finding the money in Paris. In such circumstances, the concession was granted to a French company on March 20, 1896, and the stage was set for Russia seeking a similar concession in the North. There was now a precedent—all that Russia required for the complete accomplishment of her plans.

II.—The Li-Lobanoff Treaty

In December, 1895, Witte took still another step in fastening the Russian claws into Manchuria. The

Russo-Chinese bank, in which the principal shareholders were French financiers, was then ostensibly organized for the commercial development of Far Eastern countries but it was really as Baron Rosen has described it, a slightly disguised branch of the Russian treasury. The French firm associated with the bank were in the main the same as those who had financed the indemnity loan, so that the list includes among the founders of the Russo-Chinese Bank, La Banque de Paris et des Pays-Bas, Le Comptoir National d'Escompte de Paris, Le Crédit Lyonnais and M.M. Hottinger et Cie. The capital was 6,000,000 gold roubles. This bank became a tremendous factor in Far Eastern Affairs, spreading a net-work of branches everywhere, even to India and Persia. The Russo-Japanese War naturally affected its position very seriously but in 1910 it was amalgamated with the Banque du Nord and renamed the Russo-Asiatic Bank.

Li Attends the Coronation

In the spring of 1896, China, was to decide upon a representative to attend the Coronation of Nicholas II. One Wang Tze-chun was suggested but Count Cassini, the Russian Minister to Peking, is reported to have suggested that no one could be as acceptable to Russia as Li Hung-chang, the negotiator of the Treaty of Shimonoseki and now a bitter foe of Japan, as well as suspicious of the good-will of the British, who he believed had let him down after the sinking of the Kowshing by the Japanese during the Sino-Japanese War. He had expected Great Britain to intervene on behalf of China and Great Britain had remained neutral. Russia had saved the day for him after Shimonoseki; Russia had found the money for the indemnity. Li Hung-chang was, at that particular moment, grateful to Russia whose claws were still heavily padded—whose voice was a beautiful purr.

Li Hung-chang attended the Coronation Ceremony and was fussed over with that wonderfully extravagant combination of luxurious Eastern and Western hospitality of which only the Russians are capable. He was met at Port Said by Prince Oukhtomsky, President of the Russo-Chinese Bank, who accompanied him to Moscow. Li Hung-chang remained in Russia from April to June of 1896, Prince Lobanoff, the Minister of Foreign Affairs, knew little about the Far East, but the great Witte, the Minister of Finance, who had guaranteed with the entire wealth of Russia the Indemnity Loan, was assigned to pin Li Hung-chang to sanction the establishment of the railway across Manchuria. Witte's memoirs and Mr. Gerard's "*Ma Mission en Chine*" give an unmistakably accurate account of the events of that visit. But it is to Witte to whom we must look for the callous diplomacy, the stretching out of the claws, the astuteness of the procedure.

The Tsar's Personal Appeal

Russia's services to China, in the hour of need, were eloquently stressed, until the Viceroy was placed under the deepest obligation; even to differ was made to appear as ingratitude. Russia had attempted to assist China during the Sino-Japanese War, but the movement of troops from Vladivostok to Kirin, without a railroad, was terribly slow; the war was actually over before anything could be done. If only there were a railroad in Manchuria, Russia could always give China the greatest assistance. Li Hung-chang was no small boy in arms. He saw whither the conversations were leading and parried Witte's plans, particularly the attempt to enable the Russian Treasury to construct the line as a Russian Government Railway. Finally, Li Hung-chang raised the point that he was not empowered to sign a treaty but only to attend a Coronation. Then, as a last stroke, Tsar Nicholas II, as a personal matter, requested Li Hung-chang to agree—courtesy made it impossible to do anything else. A defensive and offensive alliance was signed between China and Russia and the Chinese Eastern Railway was the price Russia exacted for the alliance.

China, as was usual in those days, offered to build the railway with Chinese money, but this was

declined. The Russians, on the other hand, were careful to stipulate that the military alliance only became effective when the railway features of the treaty were confirmed by the Emperor of China.

What the Treaty Says

The Li-Lobanoff Treaty was kept secret; but on October 30, 1896, the "North-China Herald" published what has come to be known as the Cassini Agreement. The Cassini Agreement was, however, no more than the ratification in Peking of the railway agreement on September 8, 1896. On February 15, 1910, an admirer of Li Hung-chang (believed to be Lord Li Ching-mai, at that time Minister to the Court of St. James) wrote to the London "Daily Telegraph" defending the Viceroy's memory against unjust attacks and published the contents of the secret treaty, but it was not until the Washington Conference that the Chinese Government provided an official text, which reads as follows:

TREATY OF ALLIANCE BETWEEN CHINA AND RUSSIA—MAY 1896

ARTICLE I.—The High Contracting Parties engage to support each other reciprocally by all the land and sea forces in any aggression directed by Japan against Russian territory in Eastern Asia, China or Korea.

ARTICLE II.—No treaty of peace with an adverse party can be concluded by either of them without the consent of the other.

ARTICLE III.—During military operations all Chinese ports shall be open to Russian vessels.

ARTICLE IV.—The Chinese Government consents to the construction of a railway across the Provinces of Amur and Kirin in the direction of Vladivostok. The construction and exploitation of this railway shall be accorded to the Russo-Chinese Bank. The contract shall be concluded between the Chinese Minister at St. Petersburg and the Russo-Chinese Bank.

ARTICLE V.—In the time of war Russia shall have free use of the railway for the transport and provisioning of her troops. In the time of peace Russia shall have the same right for the transit of her troops and provisions.

ARTICLE VI.—The present treaty shall come into force from the day on which the contract stipulated in Article IV shall have been returned. It shall have force for 15 years.

The defensive and offensive features of this agreement have apparently never been invoked. In a few years, the Boxer Rebellion gave Russia an opportunity, but Russia joined the Allied armies against China and in the Russo-Japanese War, China was a neutral. Out of it, therefore, China got nothing but Russia got a wonderful railway.

Russia's Favourable Terms

According to the terms of the railway concession, the Russo-Chinese Bank was given the right to construct and operate the Chinese Eastern Railway, the Chinese Government paying Kuping Tael \$5,000,000, to the bank and was to participate "in proportion to this payment in the profits and losses of the bank, on conditions set forth in a special contract." The bank was to establish "for the construction and operation" of the railway between Chita and the Russian South Ussuri Railway, the Chinese Eastern Railway Company. "The seal of the new company will be given to it by the Chinese Government," but the statutes shall conform to Russian usage. Only Russian and Chinese subjects shall be permitted to own shares. The President is to be appointed by the Chinese Government, but he is to be paid by the Company and he may reside in Peking. He is to be a monitor on behalf of the Chinese Government, but to facilitate negotiations, the Bank will also have an agent in Peking.

The gauge of the line is to be the same as that of Russian railway (5 Russian feet). Lands, if owned by the state, are to be turned over to the railway freely, but, if privately-owned, arrangements are to be made for a single payment or an annual rental. This land is to be free from all land taxes, and "the Company will have the absolute and exclusive right of administration of this land." (The railway zone). The income of the railway, from whatever source except mines, is also to be free from taxes.

Russian troops and materials will be carried "directly from one Russian station to another without, for any pretext, stopping on the way longer than is strictly necessary." Passengers' baggage, as well as goods in transit from one

Russian station to another, shall not be liable to customs duties or internal tax. Merchandise imported from Russia by China by the railway, or exported from China to Russia by the same route, shall pay one-third less of the Chinese Maritime Customs Tariff.

China's Ability to Repurchase

Finally, there are these provisions:

"The Chinese Government transfers to the Company the complete and exclusive right to operate the line on its own account and risk, so that the Chinese Government will in no case be responsible for any deficit whatsoever of the Company, during the time allotted for the work and thereafter for a further 80 years from the day on which the line finished and traffic is in operation. This period having elapsed, the line, with all its appurtenances, will pass free of charge to the Chinese Government.

"At the expiration of 36 years from the day on which the entire line is finished and traffic is in operation the Chinese Government will have the right to buy back this line upon repaying in full all the capital involved, as well as all the debts contracted for this line, plus accrued interest.

"If—in case the profit realized exceeds the dividends allowed to the shareholders—a part of such capital is repaid, that part will be deducted from the price of repurchase. In no case may the Chinese Government enter into possession of this line before the appropriate sum is deposited in the Russian State Bank.

"The day when the line is finished and traffic is in operation, the Company will make to the Chinese Government a payment of five million Kuping tael (Kuping Tael: 5,000,000)."

In the statutes of the Chinese Eastern Railway Co., which were promulgated on December 16, 1896, the Company is empowered, subject to sanction of the Chinese Government, to exploit coal and commercial enterprises.

In recognition of the fact that the enterprise of the Chinese Eastern Railway "will be realized only owing to the Guarantee given by the Russian Government," the company bound itself to maintain the road up to certain specific standards and to make certain improvement, if required.

"In the event of a difference of opinion arising between the Chinese Eastern Railway and the connecting Russian railway," the decision of the Russian Minister of Finance was to be taken as final and if the Railway required more money for necessary developments, the management was to apply to "the Russian Minister of Finances for pecuniary assistance on the part of the Russian Government." Russian letter and parcel post is to be carried free.

A perusal of the agreement and the statutes clearly points to the fact that Russia expected to hold Manchuria before the expiration of 36 years and that although the railway was being operated by a private Company, it was intended to be an agent of the Russian Government.

China's Fear of Japan

Li Hung-chang, who had been forced into the Sino-Japanese difficulties by the stupidities of a decaying Manchu Court, sensing the rising power of Japan, worried over the neutral attitude of the commercial countries, Great Britain and America, sought strength for the "integrity of China" in Russia which had organized the *Dreibund* and had saved the Liaotung Peninsula, as he thought, for China. The defensive alliance was the convincing argument for China's great statesman, but he could not see Witte's tongue in his cheek: Witte calculated that if China wanted to redeem the railway in 36 years, it would have to pay "a sum not less than seven hundred million roubles," for it.

It is curious that Russia kept the Li-Lobanoff Treaty secret even from France. Mr. Gerard saw it in Peking when Li Hung-chang showed it to him, but he could not get a copy.

III.—China Loses Liaotung

In one of those remarkably frank and forceful letters that Kaiser Wilhelm II was wont to send to Tsar Nicholas II, on April 26, 1895, the German Emperor wrote to the Tsar as follows:—

"For that is clearly the great task of the future for Russia to cultivate the Asian continent and to defend Europe from the inroads of the great Yellow race. In this you will always find me on your side ready to help you

as best I can. You have well understood that act of Providence, and have quickly grasped the moment; it is of immense political and historical value and much good will come of it. I shall with interest await the further development of your action and hope that, just as I will gladly help you settle the question of eventual annexation of portions of territory for Russia, you will kindly see that Germany may also be able to acquire a port somewhere where it does not *gêne* (incommode) you."

In other brilliant missives, the Kaiser inspired Tsaristic imperialism, but Witte's influence had always been in the direction of using the new Chinese Eastern Railway for the economic expansion of Russia. He invariably advised the Tsar against excessive military and naval *coups* in the East, where so much more might be accomplished by diplomacy and peaceful economic penetration.

The Seizure of Kiaochow

In November, 1897, however, the Germans seized Kiaochow in Shantung, apparently with the approval of Russia. That Russia supported Germany is evident from conversations between Count Muraviev and Prince Radolin, when Russia was demanding German support for her adventure in the Liaotung Peninsula; Germany replied on March 15, 1898: "His Majesty's Government will for its part willingly assist in diminishing the difficulties with which Russian policy is at present meeting in East Asia." The Russo-German understanding with regard to Kiaochow was undoubtedly a breach of the Li-Lobanoff Treaty.

China immediately requested Russia to send warships to Kiaochow to observe the German activities there and the Russian Chargé d'Affaires in Peking was instructed by the Russian Government that the ships would be sent. This order, however, was cancelled and Li Hung-chang was informed that negotiations were probably taking place between Berlin and St. Petersburg with regard to Kiaochow. Whatever these negotiations were, China was not a party to them, although China was the principal interested party.

One reason that there was so much confusion of purpose in St. Petersburg and so many variations of instructions, arose from the curiously autocratic form of Government obtaining in Russia. Each Ministry functioned on its own and was responsible only to the Tsar, who made the final decision. The Ministers seldom met in Council to decide questions but rather spoke to the Tsar in the privacy of his closet. Thus, one Minister might at one particular moment be the favourite and undo the masterly achievements of a really great man like Witte. Such a favourite was Count Muraviev, who had succeeded Prince Lobanoff, as Minister of Foreign Affairs.

The Occupation of Port Arthur

It occurred to Count Muraviev that this would be an excellent moment for Russia to seize Port Arthur and Liaotung, which Russia, at the head of the *Dreibund* had only two years before prevented Japan from keeping as a result of the Sino-Japanese War. Witte was opposed to this adventure, as he realized all the difficulties and dangers and for several days after the proposal, was first broached, the Tsar was apparently impressed by the opposition of Witte and the Minister of Navy, Admiral Tiroff, both of whom envisaged Japanese complication. Witte particularly recalled the fact that Russia had guaranteed the territorial integrity of China when she forced Japan to withdraw from Liaotung and that it would be treachery for Russia to seize the territory of a nation with whom she was in a defensive alliance at the moment.

But in the end, the Tsar gave his consent to the adventure and in December, 1897 the Russian fleet occupied Port Arthur and Liaotung. The Chinese were undoubtedly confused. They assumed that the Russian fleet had come to Liaotung to assist them against the Germans at Kiaochow, but they were soon to discover the treachery of their allies, for the Russian demands exceeded anything that had yet been imposed upon China.

Before discussing the agreements that were eventually signed, it is important to note the attitudes of Great Britain and Japan.

Great Britain's Protest

Great Britain was the only Power which protested against the Russian seizure of Liaotung. France and Belgium, were too closely associated with Russian imperialism to say anything; as a matter of fact, France was engaged in parceling out her own sphere of influence in South China. Germany had encouraged the Tsar to look eastward, so that he would not interfere with Germany's Mittel Europa programme. Great Britain alone saw the danger and the menace.

Great Britain, although recognizing Russia's right to a Pacific terminal for the Trans-Siberian Railway, rejected Russia's demand for a naval base at Port Arthur. The British had suggested to the Chinese the wisdom of opening Liaotung as a Treaty Port so that the "Open Door" principle might be enforced there, but this was resisted by Russia and her allies.

The British could even understand Russia's demand for a commercial port at Liaotung, but feared that the establishment of a naval base at Port Arthur threatened the capital of China and made it subject to Russian authority. As the conversations between Great Britain and Russia continued, it became increasingly clear that the real reason for Russia's occupation of Liaotung was a strategic one, that Russia had in view an ultimate military effective.

Sir Nicholas O'Connor's Warning

Sir N. O'Connor, the British Ambassador at St. Petersburg, on March 13, 1898, communicated to his Government his views of Russia's intentions:—

"It is evident that the official language and assurances of the Russian Government cover only a small part of their ultimate intentions. When they have obtained a lease of Liaotung and Port Arthur under the pretext of opening one or both ports to foreign trade, they will proceed to re-fortify Port Arthur and to erect fortifications in one of the three harbours of Liaotung. . . . There is no doubt that the Russian Government think that before the expiration of their lease of the two ports, Manchuria will be in their possession and Pechili, if not actually in their possession, will be under their control. When their policy is reached, before this stage is reached, and if the effect of Government of Peking is not, as seems probable, upset by a revolution in the country, which will precipitate Russian action, I believe Russian influence in Peking will be so great as to enable them to nullify the assurances given by the Chinese Government respecting the Inspector-General. . . . Russian policy is to obtain from China all they want by so-called friendly negotiations, but the moment they have obtained their object they will take China more or less under their protection and oppose so strongly our compensatory demands that we may well be brought to the verge of war, while it is certain that we shall not be able to get what we want except by force and in direct opposition to China. The Russian Government, on the other hand, be able speciously to argue that they acted throughout in agreement with China."

All British conversations failed. In fact, at one time Count Muraviev said very heatedly to Sir N. O'Connor: "It was England alone that made difficulties and stood in the way of Russia. No other Government had questioned him officially on the subject, or seemed to resent in any degree the proposed action of Russia." The British finally fell upon the idea of Weihaiwei as a naval station to offset Russia's naval and military power over Peking.

Japan's Difficult Position

The Japanese were faced by a very difficult problem. They had fought China and won Liaotung by the Treaty of Shimonoseki. They had been robbed of their victory by the *Dreibund*. Now, Russia was actually occupying the territory which had been taken from Japan. At the same time, Japan was having constant trouble with Russia over Korea, in which China always supported Russia against Japan. Although, the British were already offering Japan an alliance, the Japanese hoped to find a peaceful solution. Baron Rosen, the Russian Ambassador to Japan was a tactful, careful diplomat, but he could not stem the tide of Russian imperialism. Japan even suggested a reciprocal agreement that Japan would refrain from interfering with Russia in Manchuria, if Russia would not interfere with Japan in Korea, but Russia would agree to nothing. In the end, Japan was left embittered, sulking and preparing for her day.

Startling Terms

The terms of the agreements were startling: Port Arthur was to be a naval base, open only to Russian and Chinese vessels. Liaotung was to be open to the commerce of all nations, except one part of the harbour, which was for the exclusive use of the Russians. The leased territory was to consist of 1,300 square miles. China retained sovereignty in theory, but the civil and military administration was placed in the hands of a Russian official and the right to fortify the territory was transferred to Russia.

Russia was given the right to construct a railway from Liaotung and Port Arthur to a station on the Trans-Siberian line. This railway became the South Manchurian branch of the Chinese Eastern Railway and subject to the agreement between China and the Russo-Chinese Bank of 1896.

A neutral zone was created about the leased territory, in which the "subjects of other Powers were to be excluded from any commercial or financial concessions."

Russia's Unchecked Control

Articles VI and VIII of the Convention of March 27, 1898 are worth reproducing:

Art. IV.—During the above-specified period (25 years) on the territory leased by the Russian Government and adjacent water area, the entire military, naval, and civil administration will be entirely given over to the Russian authorities and concentrated in the hands of one person who however shall not have the title of Governor or Governor-General. No Chinese military and naval forces whatsoever will be allowed on the territory specified. Chinese inhabitants retain the right, as they may desire, either to remove beyond the limits of the territory leased by Russia or to remain within such limits without restriction on the part of the Russian authorities. In the event of a Chinese subject committing any crime within the limits of the leased territory, the offender will be handed over to the nearest Chinese authorities for trial and punishment in accordance with Chinese laws, as laid down in Article VIII of the Treaty of Peking of 1860.

Art. VIII.—The Chinese Government agrees that the concessions granted by it in 1898 to the Chinese Eastern Railway Company, from the main line of Liaotung, and also, if deemed necessary, from the same main line to another more convenient point on the littoral of the Liaotung Peninsula between the cities of In-tzu and the estuary of the River Yalu. All the stipulations of the contract concluded by the Chinese Government with the Russo-Chinese Bank of August 27 (September 8) 1896, shall apply scrupulously to these supplementary branches. The direction and points through which the above-named lines shall pass will be determined upon by the dignitary Siou-tsin-cheng and the administration of the Chinese Eastern Railway. No construction of the railway on the basis indicated shall never under any form serve as a pretext for the seizure of Chinese territory or for an encroachment on the sovereign rights of China.

The Convention was to be enforced for only 25 years but might be renewed by mutual consent.

Imperial Order Still Clearer

The authority of the Russian official is stipulated with greater clarity in a Russian Imperial order dated August 12, 1903:

1. The Imperial Lieutenant of the Far East is invested with the supreme (or high) power in respect of civil administration over those provinces and is independent of different ministries. He is also given the supreme authority regarding the maintenance of order and security in the provinces and is independent of the benefit of the Chinese Eastern Railway. Due care and protection in regard to the interests and wants of Russian subjects in the neighbouring territories outside of the border of the Imperial Lieutenant are also confided to him.

2. Until the law of administration of the Imperial Lieutenant of the Far East shall have been promulgated, the authority, rights and obligations of the Imperial Lieutenant in relation to both central and local authorities shall be defined in accordance with the principle of the Imperial Decree of January 30, 1845, which was promulgated at the time of the establishment of the Lieutenant of the Caucasus. All administrative offices and all officials under the Imperial Lieutenant are not to communicate with different ministries and departments concerned except through the Imperial Lieutenant.

3. All diplomatic relations with neighbouring powers in regard to affairs arising in those provinces of the Far East shall be concentrated in the hands of the Imperial Lieutenant.

4. The command of the naval forces in the Pacific and of all

military forces stationed in the territories assigned to him is given to Imperial Lieutenant.

What Russia Spent

The leased Territory was fortified and made an armed camp. The cities of Dalny (the Russian name for Tallinn) and Harbin were laid out. Altogether Russia is reported to have spent 588,140,000 roubles on this enterprise.

Roubles

Construction of the Chinese Eastern Railway (including branch line to Port Arthur)	375,000,000
Additional expenses of construction	75,500,000
Dairen Harbour construction expenses	10,000,000
Dairen City construction expenses	8,800,000
Dairen land purchase expenses	1,380,000
Port Arthur Harbour and City expansion expenses	17,400,000
Harbour City foundation expenses	100,000,000
Total	588,140,000

To this must be added the sum of 750,000 roubles, which Witte, in his *Memoires* said that he gave to Chinese officials in Peking to facilitate China's consent.

(To be Continued.)

CHINA'S SKIES FOR AUGUST

By CANOVS

1. Jupiter in conjunction with the Moon, 8.24 a.m. J. 2° 45' S.
 2. Venus in conjunction with the Moon, 10.53 a.m. V. 5° 24' S.
 3. Mercury in conjunction with the Moon, 7.41 p.m. M. 3° 25' S.
 4. Neptune in conjunction with the Moon, 2.25 p.m. N. 4° 37' S.
 5. Mars in conjunction with the Moon, 0.54 a.m. M. 3° 45' S.
 6. Mercury and Neptune in conjunction, 3 a.m. M. 0° 57' N.
 7. Saturn in conjunction with the Moon, 0.38 p.m. S. 4° 10' N.
 8. Uranus in conjunction with the Moon, 3.13 a.m. U. 2° 22' N.
 9. Neptune in conjunction with the Moon, 4.00 a.m.
 10. Jupiter in conjunction with the Moon, 10.00 a.m. J. 2° 38' S.
 11. Saturn at a Stationary point, 11.00 a.m.
 12. Moon in conjunction with the Moon, 11.53 p.m. N. 5° 30' S.
- Constellations 9 p.m.—In the North: Draco and Ursa Minor are above Polaris near the meridian, Arcturus is above and to the east, Cassiopeia east and Ursa Major west.—In the East: Andromeda is rising and Pegasus fairly up.—Along the Ecliptic: Aquarius is risen, next Capricornus, Sagittarius reaches to the meridian, Scorpius (Antares) is just past, Libra next and Virgo (Spica) just touches the horizon.—North of the Ecliptic: Lyra (Altair) is just east of the meridian near the zenith, Cygnus, the Swan (Deneb) and Dolphin are east of Lyra, Perseus and Hercules are above Scorpius and just west of the meridian; hence west are Corona and Bootes (Arcturus), and far in the north-west Coma Berenices and Canes Venatici.

Meteors of the Perseid stream are expected this month, most abundant in the nights from 10th to 12th. As the moon will then be in phase near the first quarter and sets before Perseus is risen, it will not interfere with their observation.

The Milky way extends from north-east to south-west. The Zodiacal Light may be well observed projected from the western horizon.

PHASES OF THE MOON

5. New Moon	11.40 a.m.
12. First Quarter	2.01 p.m.
20. Full Moon	5.42 p.m.
28. Last Quarter	4.02 a.m.
4. Moon in Perigee	5.10 a.m.
10. Moon in Apogee	11.00 a.m.

RIISING AND SETTING OF THE MOON

Day	Rises	Souths	Sets
4.	3.40 a.m.	11.11 a.m.	6.30 p.m.
11.	11.30 a.m.	6.07 p.m.	10.39 p.m.
18.	5.44 p.m.	10.49 a.m.	2.50 a.m.
25.	9.29 p.m.	3.18 a.m.	4.50 a.m.
31.	1.27 a.m.	8.54 a.m.	4.15 p.m.

RIISING AND SETTING OF THE SUN

Day	Rises	Add	Egu. of time	Sets
4.	5.20	6 min.	0.7 sec.	6.53
11.	5.24	5 "	11.6 "	6.46
18.	5.28	3 "	54.0 "	6.39
25.	5.33	2 "	11.4 "	6.32
31.	5.36	0 "	27.7 "	6.26

In this month the mornings decrease 19 minutes (47 min. at Greenwich), and the afternoon's 30 minutes (35 min. at Greenwich).

ASPECTS OF THE PRINCIPAL PLANETS

MERCURY.—Leaving Cancer on 4th enters the constellation Leo, and will be in conjunction with Regulus on 10th at 1° 10' north, in conjunction with Neptune on 12th. It moves into Virgo on 25th, and enters the constellation descending node south of the ecliptic. On 29th the planet crosses the equator and enters the southern hemisphere.

Sets on 1st at 7.06 p.m.; on 16th at 7.31 p.m.; on 30th at 7.27 p.m.

VENUS.—Is beginning to approach very slowly the Sun. It moves into Gemini, on 4th, and on 28th into Cancer. Its distance decreases from 3.7 to 3.5, while its phase increases from 0.65 to 0.75.

Rises on 1st at 2.06 a.m.; on 16th at 2.18 a.m.; on 30th at 2.28 a.m.

MARS.—Leaves on 10th the constellation Leo and enters Virgo. On 24th it crosses the equator, and enters the

southern hemisphere. Setting soon after the evening twilight the planet will be visible only a short time in the western sky.

Sets on 1st at 8.52 p.m.; on 16th at 8.18 p.m.; on 30th at 7.47 p.m.

JUPITER.—Increasing its apparent distance to the Sun, it rises before midnight at the close of the month. The planet may be observed during some hours in the morning sky. Its brightness increases to -1.9.

Rises on 1st at 1.02 a.m.; on 16th at 0.12 a.m.; on 30th at 11.21 p.m.

SATURN.—Will be stationary at the end of the month and thence moves direct in right ascension. It decreases in brightness.

Sets on 1st at 2.06 a.m.; on 16th at 1.05 a.m.; on 30th at 0.10 a.m.

URANUS.—Is moving retrograde in Pisces and still approaches the vernal point. Rising soon after the close of the evening twilight, it may be observed during the greater part of the night in a field pretty poor on stars.

Rises on 2nd at 9.52 p.m.; on 16th at 8.56 p.m.; on 30th at 8.00 p.m.

NEPTUNE.—Moves in Leo, but setting during evening twilight is to be near the Sun for observation. In conjunction with the Sun on 25th.

Sets on 2nd at 8.00 p.m.; on 16th at 7.07 p.m.; rises on 30th at 6.13 a.m.

Star Clusters and Nebulae: In Hercules: a fine cluster of stars visible to naked eye (RA 19h 29m, + 36° 35'); In Ophiuchus: a fine cluster of stars (17h 52m, - 19° 07'); In Draconis: a bright planetary nebula (17h 56m, + 66° 35'); In Lyra: a beautiful ring of bright nebulosity, (18h 51m, + 32° 55'); In Aquila: a large nebula formed like a "Dumb-Bell" or "Hour-Glass," (19h 56m, + 22° 30').

Eclipses and the "Saros" Period. Eclipses of the Moon.—The earth being much larger than the moon, its shadow extends far beyond it, and where it reaches the moon, it is always so much larger than the latter that the moon may be wholly immersed in it.—The length of the earth's shadow can be determined as follows: The radius of the sun is to the radius of the earth in the same proportion as the distance of the sun's centre from the apex of the shadow is to the distance of the earth's centre from the apex; or the difference of the radius of the sun and that of the earth is to the radius of the earth as the distance of the sun's centre from the apex of the shadow is to the distance of the earth's centre from the apex. Hence we have 432,196—3963.3 miles : 3963.3 : : 92,897,000 : x length of the shadow: x = 92,897,000 x 3963.3 / 432,196 = 859,762 miles. From this length of the shadow 859,762 miles the cone of the shadow is about three and a half times as long as the distance of the moon from the earth, 238,857 miles. The section of the earth's shadow near the moon's orbit is about two and a half times as broad as the moon's disc, and is never less than twice as broad. From this fact it follows that an annular eclipse of the moon is impossible. If the moon moved in the plane of the ecliptic, it would pass through the earth's shadow every month, and suffer eclipse. But as the moon's orbit is inclined to the ecliptic at an angle 5° 9' the moon is above or below the ecliptic at the time when it passes the earth's shadow, and escapes eclipse. On those occasions when it encounters the shadow, the eclipse is total if the entire moon passes into the umbra, that is when it is very near the node, and it is partial if only a portion of the moon is immersed in the umbra, when the moon is more distant from its node.

THE National Associated Chambers of Commerce have telegraphed to the National Government stating that, according to a letter from the Heilungkiang Chamber of Commerce, the people of the Three Provinces have suffered losses to the extent of nearly \$50,000,000 as a result of the Russian Revolution, all notes issued by the former Imperial Government having been declared null and void. The Government is asked to take this matter up with the Soviet authorities and to demand compensation.

THE anti-Japanese boycott association of Peking has issued a financial statement showing that since its organization last summer it has collected \$41,788.74 in the form of fines and registration fees while its expenditure during the past ten months amounted to \$41,117.88. The statement was issued following repeated demands on the part of the General Chamber of Commerce that the association should publish its accounts.

A further goal break was attempted by the prisoners detained in the Tsinan District Court goal, says the Chinese press, but the plot was frustrated by the timely arrival of a number of police. It will be recalled that a number of prisoners escaped from the Tsinan goal some days ago, among whom were a number of Communists. Five judges of the District Court have been impeached for associating themselves with the Communists and for illegally causing the release of those who escaped.

TAXES IN CHINA PAST AND PRESENT

Land Tax the Main Source of Empire Revenue: The Principle of Letting Things Alone

FROM A CHINESE CORRESPONDENT

Less than 30 years ago, the doctrine of national finance and taxation in their modern and scientific sense, was unknown to the Chinese intellectuals. During the period when China was under the empire, the public treasury was no concern of the people, it had always been treated as the personal property of the ruling house. An emperor could manage it in the way he thought fit without let or hindrance on the part of the ratepayers. Taxes were some sort of a tribute due to him from his subjects. The national treasury and revenue were formerly under the control of what had been erroneously termed the Ministry of Revenue, the literal translation of that functionary should have been the Ministry of Population, or Wu Pu.

Census for Taxation

The Provincial Treasurer of a province was under duty to take census of the population once every ten years and to file the returns to the ministry. The census was taken not for statistical objects but for the purpose of taxation. The only form of direct tax payable by the Chinese to the Imperial Government had been a small poll tax. An ancient archive dated 1685, the 24th year of Emperor Kang Hsi, showed that China had then a population of 23,417,448. A later return taken 25 years after showed an increase of 1,200,000 only. Both figures were admitted to be inaccurate, made with the object to evade payment of the poll tax. Emperor Kang Hsi was himself a great traveller having visited seven provinces. During the course of his journey he found out that only a portion of his subjects had been paying tax. The Emperor, who had been known for his leniency and magnanimous policy, on detecting the fraud for which law prescribed capital punishment, and to demonstrate his own solicitude for the general welfare of his subjects, promptly issued a decree, in which the Emperor promised that tax would hereafter be assessed and levied on the basis of the results of the last census, and that on any person born after that year, no tax would be imposed.

The Land Tax Reform

However, it was felt that this tax had not been equitable and just, inasmuch as rich and poor were called upon to contribute alike to the government irrespective of their ability to pay. This kind of tax very frequently fell on the heads of those who could least afford it. So ten years later, in 1723, immediately on the ascension to the Throne of the next emperor, Yung Cheng, an important reform was made in the law of taxation. Under the new law, the poll tax which had caused considerable hardship on the poor, was repealed, and in its place the land tax, which is still in vogue to-day, was promulgated. Since then the land-owners of the country alone are taxed. This reform received the most enthusiastic reception from the nation, its salient feature being that, unless a person happened to own real property, he would for ever be exempt from obligation of paying a direct tax of any kind to the government. The author who suggested this benevolent innovation has since been deified.

The land tax itself had always been very reasonable and low; for every 123 mow or two acres, an owner was only called upon to surrender to the imperial treasury one shih or 220 lbs. of rice in the nature of a tribute in accordance with the then generally accepted theory that all land within the empire was the personal property of the emperor and a private owner held it at his pleasure and by his special grace—a typical feudalistic conception.

Rice was then very cheap so the tax was necessarily insignificant in comparison with what a landowner now pays. The Government however, did not collect the tax in rice though issuing its official receipts

in that term. Collection has always been made in cash. Rice is first converted in taels then into copper cash or dollars at some fixed rate of exchange slightly higher than the actual market rate. In fixing the rate of exchange, the collecting officers never acted arbitrarily, it was a matter of bargaining between them and the great landowners.

The Chih Hsien's Commission

The Chih Hsien, or district magistrate of a district, with the assistance of the tipstons did the job of collection. The latter a semi-official person, was supposed to undertake the work gratis always of course making whatever he could out of the tax payers; as his tip in consideration of his nominally free services, he was and is still permitted to levy a fee in every real estate transaction in which his assistance was found necessary. The imperial government made a small and inadequate allowance to a Chih Hsien to defray the cost of collection, most of which had been taken care of by the profits made out of the two conversions mentioned above, namely from rice into silver and again from silver into copper cash. Any surplus left over formed the most important item of sanctioned perquisite of his office, which he was permitted by law to treat as his own.

Be it remembered that all public officers under the empire were inadequately salaried, to which a Chih Hsien was no exception. It had always been due to that source of income he was able to maintain his office. In Kiangsu and Chikiang, two of the richest provinces of China, a landowner paid about 50 dollar cents a year to the imperial government for each mow of land he held in two instalments one after each harvest to make it easier for him.

A Very Low Import

Unlike the militarists, the empire was most lenient and liberal in the matter of taxation. In districts bordering on sea, rivers and lakes, a lucky owner might possess a little piece, say one or two mow, for which he held title and paying tax accordingly, he was nevertheless exempt from paying tax on the reclaimed land which might subsequently be added to his holding despite the fact that his actual possession had been increased several times over what he had title to originally. By its own slackness or indifference the imperial treasury must have lost every year in revenue an immense amount of money. It was only toward the last days of the empire that it made a half-hearted attempt to remedy that state of affairs by introducing what is known as "shengko."

Excepting this very insignificant tax the people had no other direct obligation toward the empire. It was in fact a part of the imperial government's policy to leave them alone to take care of themselves in the best way and manner free from governmental interference. If taxation alone had been an index of the people's happiness, then the Chinese should have been the happiest and most contented for under the empire they were the least taxed of all nations.

Salt and Tea

In addition to land, there were two other taxable commodities which might be described as necessities of life, salt and tea. To control these sources of revenue the empire had special officers appointed to supervise them. The salt monopoly has been in vogue for several centuries and had been in existence before the Ming Rule. The monopoly in its latter form immediately before the introduction of the existing system, was planned by Tsong Kuo-fang during the Taiping Revolution. It was undoubtedly intended as a war, therefore a temporary, measure being justified by the then existing circumstances. The imperial trea-

sury was in a depleted condition and Tsong Kuo-fang was in a desperate need for cash to finance his military campaign. The Manchu House subsequently found it too much of a sacrifice to abolish and continued it up to the downfall of the empire. In spite of everything both salt and tea, particularly the former continued to be the cheapest articles, and the country as a whole seemed to have been in no way inconvenienced, by the government monopoly. Salt could be had for a few copper cash a catty. Instead of saying one sells his life for a song, the Chinese used the word salt in its place as an indication of cheapness.

Likin and Licence Fees

The oft condemned likin, the barrier of Chinese commerce, is another aftermath of the Taiping Revolution. It was also intended as a temporary war measure at its inception, which the Manchu Empire failed to discontinue when the conditions justifying its creation ceased to exist.

There was another form of tax which still exists to-day, imposed on certain specific traders in the nature of licence fees. A few traders principally the wealthy ones, like cocoon dealers, pawnbrokers, etc. were amenable to it. In short, the imperial government never permitted the existence of any kind of tax, the levy of which would be likely to cause economic distress to the general masses. With the exception of land tax, the only direct tax in vogue, no person seemed to feel the burden of taxation, or even knew they had been taxed.

The Maritime Customs duty is of course a more recent affair. Its history is too well known to require reiteration here. It is true there existed native customs houses in the country, but they had been created more for the purpose of administration than for financial reasons. China did not begin to develop any kind of fixed tariff law until 80 years ago.

The Manchu House did not resort to taxation as a natural solution to relieve themselves of financial difficulties. Toward the latter part of the 19th century, whenever the imperial treasury was at its low watermark, the government preferred to sell public offices instead of making any radical change in the law of taxation to replenish its coffers. In doing this, the government was only following the line of least resistance and at the same time demonstrating its benevolent and patriarchal intention to the masses. This crude and abusive policy must have been induced by its wishes to secure money from the rich, for it was only the rich persons who could afford to buy public offices, whereas on the other hand, a new tax, if judiciously enforced, might produce sufferings to the public.

A Lesson from the West

Taxation as a fiscal measure, is one of the many things which China has learnt from the Western nations. All the new taxes which have been dislocating commerce causing most disastrous results on the economical stability of the country, against which foreign merchants have never ceased to complain, were introduced within the last two decades. Since the inauguration of the republic, the list of taxable commodities has increased to an appalling extent. Each civil commotion that has taken place during recent years has helped to swell the number until to-day nearly every necessity of life is taxed, without the taxpayers having a least voice in the matter. The people are called upon to pay, pay and pay. The baneful results of the recent system of taxation without limit respecting which no immediate relief is visible, has condemned the nation to great misery. Very few commercial articles are to-day free from its operation. In many instances, taxes are fixed at arbitrary rates in some parts of the country where a much higher tariff is in force, making it impossible for the merchants to market their goods with any chance of success. This has caused stagnation of commerce producing at the same time economical crisis.

Silk and Coal

Such a state of affairs actually existed in Chikiang, the great and

rich silk producing province. To-day the once prosperous silk piece goods trade of that province can hardly stand on its own legs without government subsidies. Silk merchants had formerly to pay a tax known as cocoon drying kiln tax, which was assessed at the rate of \$14 per Kiln, or \$141 for each establishment. Each kiln contains two ovens and under the new law assessment is made on each oven, in other words, the tax is doubled. During the Manchu régime the imperial government collected from the Hangchow piece goods merchants an annual revenue not exceeding \$60,000. After the revolution of 1911 the amount was raised to \$100,000. Within the last two years it has been further enhanced. Now the industry is required to pay in all kinds of levies a grand total of \$566,800 a year. In 1912 a cocoon merchant paid a tax of \$6 on each picul or 100 catties of dried cocoons, which rate was later under Yuan Shih-kai's régime raised to \$8. A further levy of \$1.60 a picul was made after the second Mukden-Chihli war in 1924. In 1927 an attempt was made to impose a surtax of 23 per cent. The matter cocoon merchants agreeing to pay a total tax of \$12.10 a picul, just a little over double of what was in vogue in 1912. The silk piece goods industry used to give direct employment to at least 100,000 persons in Hangchow, and more were indirectly concerned in it. It has since been 30 weighed down by the excessive burden that during 1927/8 that some 30 silk piece goods factories have gone bankrupt. Many banks and firms became involved in great difficulty.

The special coal tax which the provincial government of Kiangsu is levying within its jurisdiction, is another new tax which is bound to have most far-reaching results on Chinese industries. In view of its close alliance with the industrial life of the country, former administrations never attempted to tax coal.

Tax on Parcels

The parcel post tax was also introduced after 1927. All parcels transmitted through the Chinese Post Office, in addition to the usual customs duty, have to pay a half duty, and in the case of native produce mailed to any part of China, a likin amounting to 23 per cent. of the customs appraisement was collectible also by the Maritime Customs; foreign goods mailed abroad to foreign countries are exempt from further payment. The collection of parcel post likin, begun in May 1927, was taken out of the hands of the customs office. Under the present arrangement all parcels are liable to pay a duty which is considerable in excess of what was paid before.

The above are cited because of their importance to the economical life of the country. An accurate and detailed list of new taxes which lengthy to describe in an article of this nature.

The Medium That Makes Advertising Pay in China

THE North-China Daily News, the leading daily newspaper of China, is an established power in the world of Far Eastern advertising. It has proved its value for more than sixty years, and commands the most responsive buying public in the Far East.

If there is a market for your goods in China the North-China Daily News will sell them.

NORTH-CHINA DAILY NEWS
SHANGHAI

THE BOOK PAGE

THE BRITISH LABOUR PARTY

"PORTRAIT OF THE LABOUR PARTY."—By Egon Wertheimer. Translated from the German. Putnam's Sons. Price, 5s. net.

The author of this book served in the German Air Force during the War, took part with Ernst Toller in the Bavarian Revolution, became Secretary to the first Republican Chancellor of the Exchequer in Bavaria, and is now London Correspondent of "Vorwärts" and the entire German Labour Press. He lives up to his credentials in his acute analysis of the British Labour Party and its leader. Of the Trade Union leaders he says: "In temperament and homely way of life they are astonishingly like their German confreres. Both are *petit bourgeois* with a decided strain of proletarian 'Babbity.' And if the main characteristic of the German Trade Union leader is a certain heaviness and tendency towards the easy going, his British colleague is remarkable for his humour and *bonhomie*." There are, however, Dr. Wertheimer thinks, marked and manifest differences in their intellectual outlook. The German Trade Union leader has had a 'farist' training, which enables him to counteract medieval craft tendencies, to approve of rationalization as a key to the future, and to act as the representative, rather than as merely the delegate, of his colleagues, when courageous thinking is necessary at the risk of temporary unpopularity. His British equivalent, on the other hand, is unburdened by theoretical conviction, and so has a far keener sense of immediate realities.

All of which shows, comments the "Observer," that this well-equipped journalist has himself a sound appreciation of the real in being and becoming. In his final chapter, entitled "To-day and Tomorrow," which was, of course, written before the General Election, he attempts the difficult task of forecasting the future of a Party which already has a past (our reflection, not his). He does not believe that the Liberal Party is doomed, thinking that its financial foundations insure its existence for a long time to come, and is convinced that the present three-party system will continue. The renunciation of Socialism, he feels sure, would not only involve the ruin of Labour as a political organization, but would be dangerous to the social, since it would stop up a vent for the aspirations of a whole class and perhaps lead to the generation of explosive material.

His snapshots of the Labour leaders are often instructive, always entertaining. Of Mr. Ramsay MacDonald he says: "His colleagues in the House and in Smith Square, the Party headquarters, complain of his inaccessibility, his deliberate isolation from those on whose loyalty and devotion the success of any future Labour Government depends, and of his schoolmasterish condescension, his hypersensitiveness and vanity. He moves to-day in a personal vacuum that is almost painful to behold." But his leadership is undisputed, not so much because of his mastery of Parliamentary tactics as because he is, like Lenin, the personification of the hopes of millions, a sort of living legend. Mr. Snowden, though mentally he stands a head higher than the Party protagonist, is doomed—either owing to the lack of charisma or magnetic charm, which weaves legends about men, or because of his physical fragility—to walk perpetually in Mr. MacDonald's shadow. "He is a political thinker of crystal clearness, though he may be without MacDonald's adaptability. In spite of his sarcasm, that biting irony which he wields like a shield between himself and the world, he is a man to whom a human sympathy can be turned without its freezing to ice."

A satirical estimate of Mr. J. H. Thomas insists that "he has created round him an atmosphere of vulgar cordiality and a half-fellow-well-met manner which appears to have taken in the whole of the British Empire with the exception of about a dozen Communists." "Jimmy" Thomas beyond doubt possesses the extremely

rare quality of civil courage, the one extenuating circumstance in the character of this faithful but disarming personality. "Men like 'Uncle Arthur,'" we are told, "and J. R. Clynes, whose style as a speaker has a poise, articulation, and richness of language compared with which the Oxford diction of certain young men of the Party sounds unbearably affected, are portraits which the British Labour Party can justly regard with pride. No other proletariat in the world has brought forth men who—like these—combine the best qualities of the working-man with such ease in the assumption of responsibility and so much aplomb in the bearing of its burdens."

The author regards the elimination owing to increasing age or incompatibility of some of the older men as equal in interest to the growing influence of younger rivals. "With Stephen Walsh a great tradition, but hardly more than a tradition, disappeared. With the departure of Bob Smillie goes a large portion of Labour history; with Sidney Webb the greatest theoretician the Party has ever had. A full-length portrait is given of Mr. Wheatley, who is thought to have lost all significance and to be resigned to his fate: 'Whatever Radicalism can be discerned in him is far different from that which arises from the warm humanity of other deeply religious men among prominent Labour leaders of the type of George Lansbury. In Wheatley religion and politics seem to live on separate planets and meet only when technically dogmatic problems such as birth-control are under discussion. This fanaticism seems to spring not from the warmth of his heart but from the ice of his brain. It is partly intellectual with a strange and deathly rigidity. When he speaks he gives the impression of an automaton mechanically developing its argument, inhibited by no trace of human weakness.' Wheatley as an individual is immensely interesting, but as a political type sterile."

A favourable view is taken of the future of Sir Oswald Mosley, Mr. Hugh Dalton, and others, while the group of University dons—G. D. H. Cole, Harold Laski, C. M. Lloyd, and R. H. Tawney—is praised as an intelligent department. In its fresh, courageous criticism, and picturesque style, often crystallizing in epigrams, this book is a brilliant contrast to most works of the kind.

RETURN OF BULLDOG DRUMMOND

"TEMPLE TOWER: THE RETURN OF BULLDOG DRUMMOND."—By Sapper. London, Hodder & Stoughton. Shanghai: Kelly & Walsh. Price, M\$2.75.

If one is not mistaken, it was one of "Punch's" reviewers who once wrote something like: "Thank the powers that be for 'Sapper.'" It was a thought with which every one of "Sapper's" countrymen should agree, for he is truly a national asset, and it would be a surprise if he were not equally popular with anyone who knows the English language sufficiently well to be able to read it.

His choice of characters is so attractive that one confesses almost to regret that sometimes some of them must come into fatal contact with his mighty fists, his unerring pistol, or his even more deadly brain. Of course, it was not in accord with the ways of modern society that, when such a fiend as Carl Petersen escaped, Drummond should quietly sit down and wait hopefully for his return, Petersen meanwhile, presumably, committing minor devilities with impunity. Drummond should have tracked him remorsefully and settled the account as soon as possible. That, however, would have robbed us of many thrilling stories. So there was almost a pang of regret when Drummond killed Petersen. True, there was Irma left, and Irma came back in "The Female of the Species." Also, Irma is still at liberty and it is to be expected that more will be heard of her, but Irma is not quite the same as Petersen.

"Sapper," however, does not disappoint his great following. In "Temple Tower" he produces an extraordinary villain who would have made even Carl Petersen shrink with horror or fume with envy. "Sapper" does not introduce many of the "old gang," for most of the work is done by Drummond and Peter Darrell, with the assistance of two most attractive recruits—one of them a young lady—and they work in "Sapper's" inimitable way, so well known to the world that an explanation is not necessary. The real thrill of the book lies in the extraordinary conception of "The Silent Stranger," who is the villain of the piece, and the author surrounds him with a mystery of a most amazing order. Carl Petersen could be identified early in any story, as well as the purpose he had in mind. "The Stranger" comes into the story as a mystery, his purpose is by no means clear and it is not until the last chapter that he is identified.

Old loves may be the best, and the earlier adventures of Bulldog Drummond almost naturally hold pride of place, but one is impelled to the suggestion that "Temple Tower" really is "Sapper's" best story. It may be advisable to give an emphasized warning to those people who insist on having a glance at the end to see how things finish, without taking a story in sequence. If they do that with "Temple Tower" they will miss much of the thrill.—H.K.S.

HARRIETTE WILSON

"HARRIETTE WILSON: MEMOIRS OF HERSELF AND OTHERS."—With a Preface by James Laver. London: Peter Davies. Shanghai: Kelly & Walsh.

This is a collection of the Memoirs of Harriette Wilson, complete in one volume. The first volume of instalment of the Memoirs appeared in 1825 and was a great success, and this is not surprising as the publication of the Memoirs caused a great fluttering in the dove-cots of the aristocracy of that day, dealing, as they did, with the various illicit affairs in which the authoress was involved with a number of men whose names stood at the top of the tree in numerous walks of life, chiefly amongst the aristocracy. As James Laver, who writes a preface to the collected Memoirs, says, "The fashionable world was in great agitation, especially as further instalments of the damaging record were threatened. Meetings were held at White's, Brooke's and the United Services Clubs in order to decide what was to be done." Actions for libel were in fact commenced, in which one plaintiff was awarded three hundred pounds and another in a similar action, even more. Neither of the plaintiffs in the actions were amongst the leading lights of Harriette's "Protectors," none of whom apparently were prepared to face the limelight incident to an action but preferred to buy her off.

In his preface Mr. Lavers describes Harriette as a simple soul, but a perusal of the Memoirs hardly bears out this description. In fact she seems to have been a very wideawake person, and her main claim to simplicity would seem to have been her determination as far as possible not to be unfaithful to the particular "Protector" of the moment, so long as she was under his protection.

Harriette Wilson was born in 1786 of humble parents. Her real name was Dubochet, and her father was a Swiss clock maker, married to the natural daughter of a country gentleman. The marriage was not a happy one, and it was probably due as much to the unhappy environment of her home life as to innate immorality that she launched herself on the troubled seas of courtship.

Her first "Protector," at the age of fifteen, was Lord Craven, but it is by no means certain that he was the first man who actually seduced her; at any rate the suggestion is made by her friend Julia Johnstone, who published her "Confessions in contradiction to the Fables of Harriette Wilson" in 1825, that it was someone less noble. Harriette Wilson must have been a person of singular charm and beauty, as it was not a question with her of seeking "Protectors" but of keep-

ing them at arm's length, and the persons who offered themselves in this capacity were amongst the noblest in the land.

Lord Craven's successor was Fred Lamb, son of Lord Melbourne, who was subsequently replaced by the Duke of Argyll, who was in turn supplanted by others no less distinguished. The Duke of Wellington himself laid a siege to her hardly less severe than most of his sieges on the Peninsula.

Harriette had three sisters, Amy, Fanny and Sophie, all of whom adopted the same career as herself. Harriette was not on good terms with Amy, and considerable jealousy existed between them. They had rival boxes at the Opera, and left no stone unturned to wean from each other the allegiance of desirable "partis." With Fanny she was on good terms, and she, Fanny, and the Julia Johnstone above referred to were known, at one time, as "The Three Graces," though, from what one can gather from Harriette, Julia was hardly in "the same street" with herself and Fanny.

The reason Harriette determined to publish her Memoirs was to get money, and chiefly because the Duke of Beaufort went back on a bargain which he had made to allow her an annuity of five hundred pounds in consideration of her giving up her liaison with the Marquis of Worcester. There seems no doubt, if Harriette is to be believed, that she could have become the future Duchess of Beaufort at any time during a period of two to three years. One wonders why she did not. She was a woman without much education, but she seems to have had a real liking for books, and that she had some literary ability is evidenced by the Memoirs themselves. According to her own account she read Shakespeare, Milton, Byron and Virgil, or rather they were read to her by Fred Lamb.

The publication of the present collection of Memoirs will hardly cause any excitement, as all the actors have been dead many years, but they are extremely interesting as an almost historical record of fashionable life in the days of the Regency.

Harriette seems to have known nearly all the celebrities of the day and numbered amongst her intimates such as Wellington, Byron, Beau Brummel and many others; she corresponded with the Prince of Wales and Lord Byron, some of whose letters she gives in extenso. That the correspondence with Byron craved upon her demand upon him for money when she was living in Paris and was in poor circumstances does not detract from its interest.

After her breach with the Marquis of Worcester, Harriette resided in Paris, where she wrote the history of her life. She married a Frenchman, a Monsieur Rochford of middle class, who pre-deceased her, and she herself returned to England, where she died in 1846. On her return to England the fashionable world was feeling the effects of the moral standards introduced by queen Victoria, and Harriette was very much out of her element.

The Memoirs run to 650 pages, and whilst the interest is fairly well maintained there is a sameness about her adventures which tends to pall towards the end. The popularity of the memoirs when first published must, one imagines, have been due far more to their scandalous nature than to any intrinsic merit in themselves. Society was, on the surface at any rate, in those days laxer than it has been since, and it did not lift up its hands in horror at the disclosures of Harriette; from age to age the Helens, the Messalenas, the Du Barrys, the Pompadours, the Mantenons and the Nell Gwynns have flourished and point to a freer basis of relationship than we have yet been able to square with our lives, but Harriette can hardly be compared with so distinguished a company, and were the Memoirs those of a lady they would not receive much attention apart from the scandal involved. Harriette Wilson's views on people and the life of that period are nevertheless amusing reading and illustrate the very great contrast between modes and manners of her day and the present time.

THE WOMAN'S PAGE

TO PASS THE IDLE HOUR

The Helpful Fashion for Straw

Most of us like to have some sort of small sewing or handwork to pick up at odd hours during the summer months, but sometimes if we are away on a holiday we have forgotten to take anything or have not taken enough, while, if we are remaining in Shanghai, it is not always easy to find something to do that is interesting yet not uncomfortable to handle in hot weather.

Fashion, however, has now come to our aid and provided a pastime which is just difficult enough, intriguing and cool to handle, and has the added charm that the requirements are so simple that they can be obtained almost anywhere.

For one cannot imagine that the making of a dainty straw purse (of the type so much in vogue now) with just a simple decoration on the flap-over, could be beyond the powers of any but those who, so to speak, simply cannot look a needle in the eye. The straw matting foundation required can be bought very cheaply locally at Sincere's, Wing On, or Sun Sun, or, if one is away where there are no shops, one's servants should have no difficulty in procuring some from the native shops. The decoration, too, may be made with embroidery in odd scraps of coloured wool, or appliqué work using up bits of material or even a good quality Chinese casement, which again one's servants should be able to get if it should be otherwise unobtainable. Or again, stencilling or painting may be employed, although the latter is inclined to wear off rather quickly; while a very pretty flower and leaf design in sealing wax, has been seen by the writer, carried out in shades of pink, to match the cloth binding of the bag.

It is best, of course, for the straw pochette to have a lining, either of cotton or silk, but if painting, stencilling or sealing wax work are used for decoration, so that there are no ugly stitches on the under side of the flap to be hidden, then a lining can really be dispensed with. In this case, an oblong of the straw may just be cut out, and bound with cloth, a tag with a button-hole, on the same material, being inserted in the middle of one of the shorter ends. When this has been done the straw should be rolled into thirds with the outer end (the one with the tag attached) a bit short, and a button, coloured if possible, sewn where the button-hole will meet it comfortably. Then, while the straw may still be spread out flat, it is best to carry out on what will be the flap the decoration in any design chosen in one of the mediums suggested. When this has quite set, the straw should be folded as previously measured for the sewing of the button; the portion with the button and the middle portion must be securely and neatly sewn together along the sides and the bag will be finished, complete with an adequate fastening.

If embroidery or appliqué work is to be used for decoration, it is better that this should be done on the straw immediately after all possible measurements have been taken, both for the straw and the

lining; and it should not be forgotten that the lining should be a little shorter than the straw, though just as broad, when turnings have been made, in order that it may lie snugly when the bag is folded into shape.

But to return to the matter of decoration, the flower garden design of a bed of hollyhocks can look well carried out in wool, but more conventional designs are easier to follow where appliqué work is chosen. If flower designs are too difficult in this latter case, odd squares and triangles along the flap, mounting to a heap at either corner can be made to look extraordinarily well: while the possibilities of a sampan design (with markings carried out on sail and hull in thick black stitching) or that of a pagoda among hills, are not to be overlooked.

Concerning the lining, whether that is sewn in place first and the binding put over it, or the binding put on first and the lining put in after is a matter of choice, but the second course makes easier the sewing in of the all-important tab with the button hole: for a bag without a fastening is a trial indeed to its owner.

If a small inside pocket is desired at the back this should be sewn onto the lining before it is put in place, and a little piece of elastic run in along the top hem of this inner pocket will help to keep it in place, and, when in use, will prevent things from falling out once they are put in.

More ambitious bag-makers will want to insert a wedge of the lining between the two folded sides of the bag (straw would not be feasible here) so that it may be opened wider and carry more. Without a sewing machine it is doubtful if this could be done very successfully. However, if it is attempted it should be remembered that the wedge must be of double material with all raw edges turned in, and that at its thin end it should be rounded rather than pointed. For not only will the round be easier to sew than the point, but it will also save the fold of straw which forms the bottom of the bag from being too sharply pinched.

There are, of course, many other more intricate variations and improvements which could be explained but written instructions are always hard to follow, and these ideas the maker will probably be able to evolve for herself as the bag making progresses. The instructions given above, however, deal only with simplest bag designs, and the general features of the ordinary pochette bag should be well enough known to every woman to make them readily understandable.—D.K.

MODERN MOTHERS AND THEIR FAMILIES

The Modern Mother of the Four-Year-Old Has Much to Remember

Nowadays mothers have been made self-conscious about themselves and their task, through the books they read, the lectures they attend, the societies they join, and so on. The average, happy-go-lucky casual mortal is braced by such discussion; the fearful and introspective still further depressed.

How far can we cultivate the ingredients necessary for perfect motherhood, and which are the most important? I think, writes a contributor to "Woman's Life," there are two principal ones—hardness towards oneself; love towards one's offspring. Anyone who can really discipline themselves will find there is surprisingly little need for it for others. Children learn by imitation and indirectly, rather than through admonitions, however eloquent.

If you can steel yourself not to discuss a child in his presence (far easier said than done); not to criticize people or things adversely before him; not to show perturbation when he is rebellious; or agitation when he is ill. Not to appear shocked at his questionings or experimentings, however awkward and ill-timed; not to have the last word with daddy, however unreasonable and trying he may choose to be; and not to drop your best manners in nursery or kitchen—well, you are half way towards being a very fine mother indeed!

The Sacrifice of Mothers

The other half of the picture deals with the capacity to love truly and deeply—a gift not given to everyone even where their own children are concerned. This love

is not just a possessive instinct, but something which is based on sacrifice. It is a love which gives unsparringly of opportunity, and freedom, and protection, just as each is needed without a thought as to the effect on self, but only the effect on the loved one, and his trust and most lasting interests.

Such a love often stays its hand and hides itself for a wise purpose, on the principle of the eagle who nests out her little ones from the nest so that they may learn to fly. Far too many selfish boys have turned into selfish husbands and fathers because nothing was too much trouble for their mothers, and her own delight was to see them enjoying themselves.

That is where the burden of hardness comes in! A mother who can say "no" to herself realizes the value of so doing, and wishes to train her children in like manner. The child who whimpers if



A useful design to use for a length of material not enough by itself, for the modern vogue. The skirt is of plain chiffon of a predominating shade.

the sweets won't go round, who spends his pocket-money entirely on himself; who sulks and tries to make others miserable if he has had a disappointment, is building a poor character.

Rubs are good in that they give the child a chance to practise heroic virtues, and the "only" child, who usually has his own way at home generally has to pass through a very rough time at school, as he has not learnt the art of give-and-take and of making the best of things.

Discover the Motive

The wise mother realizes that the motive from which a child acts is more important than the action itself. The fact that the four-year-old fell and broke your best vase is of relatively little importance. The question is was he meddling with forbidden property, or was he doing his best to offer you a little service of love which, like so many more adult endeavours, somehow got spoiled?

To take the time and trouble to get at the hidden motive is so necessary that patience should peddle come third on the list of maternal characteristics. We are so anxious for results—especially results which will do us credit in the eyes of visitors and relations—that we find it hard to take a long view. But nevertheless, if we are to obtain those longed for results, a wise look into the future and thought as to the results of even small actions is essential, although of course, as with anything else, it is harmful if this idea is carried too far, and restriction and a sense of worry are allowed to be alive in the air whenever children are present.

Magistrate—You say defendant struck you three times and knocked you down?

Witness—He did, sir.

"And what did you do then?"

"I asked him if he'd finished."

ORGANIZATION AND IMAGINATION

Have Modern Children Enough Time to Think?

It is interesting to note how much modern methods of education tend to develop the use of the senses. The Nursery Schools, for children from 2-5 years old teach them to dress themselves, lay the tables for their meals, and so on. The greatest attention is paid to teaching children to co-ordinate mind and movement.

They are taught to react quickly to what their eyes see. Furthermore they are taught to observe with their eyes, and use what they see to their advantage.

The matching of different pieces of coloured material is one of the lessons taught. The ability to carry colours and shades in one's mind is certainly a boon. Once able to remember colours, natural interests in shades, and beauty receives great impetus, writes the Hon. Mrs. St. Aubyn in the "Morning Post."

The fitting together of different shapes not only gives the children a knowledge of shapes and sizes through touch, but also through their sight.

It is amazing how few shapes the average person sees, and how many the artist does.

A Test

Do you, for instance, looking at a view, get an impression of several colours, and a few distinct lines, in fact of a raised coloured photograph? Or do you see a thousand shades and shapes woven into an intricate pattern producing a simple whole?

The attention of these Nursery School children is drawn to detailed observation, and they are taught to seek knowledge on all subjects they observe. They know the habits and history of the animals they tend and the flowers they water. Life for them is full of interest.

From Nursery Schools and Kindergarten, the children of both rich and poor are able to enter communities where they are trained to observe. Movements such as the Boy Scouts and the Girl Guides are too well known to need further description. Undoubtedly they teach observation and to put the information thus gained to practical use.

A country child sees far more on his walks than does a town child. A country child though, in a city, puzzled by the movement and bustle round him, would miss much that the town child saw.

It always interests me to find out what people notice. For example, what do you notice first when meeting someone? Some people notice hands first, or feet, or eyes, or a voice. It just depends. Then again, some people never forget a face, while others do not notice faces, but never forget the voice.

Those who can mimic have the power of not only observing the tricks and ways of those around them, but of choosing the most characteristic mannerism and reproducing it. They are able to ob-

serve, and abstract from all the surrounding parts the salient feature. Another difference in powers of observation is seen in those of the expert and the amateur.

For instance, if one goes round a picture gallery with an artist, apart from all other facts, the impression made on his eyes is more detailed, and he reacts more quickly to it than does the amateur.

An Asset

Specialists know what to look for and look. Training again.

The unobservant person is apt to cover his lack of vision by saying a self-satisfied way. "Oh, I never notice anything." They think that this negative attitude absolves them from further effort.

It is not necessary to be observant, but it undoubtedly is an asset.

The modern method of teaching a child to observe from his earliest years must necessarily help to make him a self-reliant adult.

As in all things, there are drawbacks.

A mind absorbed in observing is too much occupied to be as creative as a mind spent in reflection.

One is an active, the other a passive state.

The child that lays his own meals, dresses himself, and who is eager to glean information and act on it, has not much time to encourage his imagination. I sometimes wonder if our scientifically trained children are as happy as their forebears.

True, we hear they were repressed in the drawing-room, but they had leisure to think.

The child who must take care of himself and "take notice" is undoubtedly being mentally pushed forward if not stimulated.

The Effect?

What will be the result still remains to be seen.

So far, children are becoming more and more grown-up and capable. Imagination gives place to organized games. The hut in wood, badly built by unskilled children's hands, is now built correctly and according to rule. The fun of trying to light a fire is no more. Schools or societies teach the child how to lay and light it scientifically.

All is organized, correct and scientific. One feels that children of to-day will miss nothing material; let us hope they will not lose the freedom of their minds, and the greatest gift of all—imagination.

THE USE OF RED IN ROOMS

Blue is so attractive in itself that there is often disappointment at its results when very much used in a room. Blue walls are very rarely a success, and even blue curtains, which for a long time held pride of place, have yielded to orange, yellow, cream, henna—to the warm tones in general. Yet blue can be used very satisfactorily in a room, especially one with a sunny aspect, if the right tones are chosen and if sufficient warmth is produced in other directions. Blue curtains should generally be in Chinese or navy blue, which is not over-purple. They can be lined with cream or ochre. With them may go a blue carpet, and this looks best if it be of a not too much marked Chinese design, with touches of red. For red is really the clue to blue. In clothes it has been realized how greatly a touch of red brings out blue, and the same thing applies to rooms. There are Chinese carpets with blue backgrounds and with a red and yellow pattern which look exceedingly well with blue curtains. If blue upholstery is used, it may well be in some of the shot shades, which have an under-current of red or a reddish tone. And the cushions to go with these are obviously red in their general effect,

even if it be produced by means of a pattern of different colours.

In choosing reds it must be remembered that there are two distinct schemes. There is the yellow red which recalls the azalea, and there is the blue red which is more raspberry in tone. These can be mixed, just as can yellow and blue greens, but they require the utmost discretion, and it is generally safer to keep them separate. A reddish tone or the actual plain colour will do very much towards keeping a blue room in order.

STOLEN WIT

Brown—Ain't it awful that Dunsmore is going to get married? Smith—What's so terrible about that?

Brown—Why, Dunsmore was such an easy fellow to borrow money from.

"What are you doing that for, mother?" asked little Norman as he saw his mother sterilizing the dishes that came from the sickroom.

"Because, dear, poor daddy has germs and the germs get on the dishes. I boil the dishes and that kills the germs."

Norman turned this over in his mind for a minute or two and then inquired, "Mother, why don't you boil daddy?"

SICCAWEI METEOROLOGICAL REPORT

J. L. Robertson, Messrs. E. O. Marlbrough,
S. G. Adhamar, C. F. Silva and K.
G. Lessner, Mrs. S. Thurn.

Per art. Hain Peking, August 2.
From Ningpo. Messrs. Brembsch and
Cohle.

R.M.S. Empress of France,
August 2. From Hongkong.—Mrs. M.
J. Cohen, Messrs. D. S. Llado and O.
Carvalho, Mrs. E. Cougle, Lt. Comdr.
F. G. Fowie, Messrs. R. Gordon, R. W.
H. B. Hargrave, J. A. Herdridge,
Sir Elly Kadgorie, Messrs. F. E. Martin,
F. W. Maze, J. W. Platt, I. E. Roberts,
J. E. de Salzman and T. P. Saunderson,
Miss A. Tilburn, Mr. F. de and Mrs.
Villaverde, Messrs. G. C. Worral and
W. W. Yule, Mrs. N. B. Bicknell, Mrs.
W. V. Eckart, Miss G. Nash.

Day of Month	Barometer		Wind		Hygrometer 9 a.m.		Thermometer in Shade		Weather conditions
	9 A.M.	Att'd Therzn	Direction a. m.	Force (1-12)	Dry	Wet	Max.	Min.	
July 26	29.98	82.4	S S E	2	87.6	78.8	94.8	75.2	31.
" 27	29.98	82.0	S S E	2	87.4	79.4	95.0	75.1	31.
" 28	29.99	82.5	S S E	2	87.4	78.8	94.8	75.2	31.
" 29	29.95	83.5	S E	2	89.4	81.5	94.8	77.0	31.
" 30	29.97	83.7	S E	3	87.4	79.5	93.9	76.7	31.
" 31	30.00	82.8	S S E	3	88.2	78.6	94.6	76.7	31.
Aug. 1	29.98	82.4			87.3	78.6	94.1	73.8	31.

EXPLANATION

B—blue sky	D—drizzle	H—hail	M—misty (hazy)	R—rain	T—thunder
C—clouds	F—fog	L—lightning	O—overcast (dull)	S—snow	Z—calm

Per str. Siberia Maru, July 27.—For
San Francisco and Honolulu, via Japan
Sas.—Mr. and Mrs. W. W. McGuire, Miss
Bessie McGuire, Miss Titus, Mrs. E.
Taylor, Mr. C. Adams, Mr. and Mrs. H.
M. Le Gate, Dr. B. I. Yasinaky, Messrs.
M. Ginsbourg and J. Jacob, Misses E.
Speiden and J. Speiden, Mr. and Mrs.
J. F. Fowles and child, Miss Ewart.
Mr. and Mrs. E. Brook, Misses Sum-
merskill and H. D. Sawyer, Mr. H. G.
Bowyer, Mr. and Mrs. C. Fiedler, Mr.
N. Mayer, Mrs. J. Kobayashi, Mr. and
Mrs. C. J. MacMeekin, Mr. and Mrs.

In the open air in a shaded situation in the Foreign Settlement

Date		Thermometer (Fahr.)				Rainfall	
		Minimum		Maximum		Inches	
		1929	1928	1929	1928	1929	1928
July	26.	78.0	81.0	93.0	93.2	Nil	trace
"	27.	79.0	76.5	95.0	88.5	"	2.02
"	28.	78.5	72.5	92.0	84.6	"	0.92
"	29.	80.0	70.5	93.0	85.5	"	Nil
"	30.	79.5	73.0	92.5	88.0	"	0.18
"	31.	79.0	76.0	92.8	85.0	"	0.18
Aug.	1.	77.5	77.5	91.0	88.2	"	0.20

KERSHAW.—On July 27, 1929, at the Country Hospital, Shanghai, to Mr. and Mrs. L. KERSHAW, a daughter.

Messrs. J. F. Rhame, W. G. Finn, Ray U. Moore, W. H. Plant and G. B. Enders, Capt. and Mrs. L. R. Walfe, Misses Edythe Simpson and Winifred Moyers, Mr. and Mrs. E. M. Pattison, Mr. and Mrs. A. B. Sweeney, Lt. A. M. Willis.

Per str. Kutwog, August 1.—For River Ports.—Mr. and Mrs. Bordelonque, Mrs. Oblat, Misses J. Solomon and C. Moosa. Messrs. P. Z. Young and B. D. Issaief.

Per str. Nagasaki Maru, August 2.—For Japan.—Dr. and Mrs. Lambert, Miss Milligan, Brig. O. C. Barrett, Mr. and Mrs. W. E. Harston, Mrs. M. R. Harston, Messrs. J. Kameo and A. Bakker, Mr. and Mrs. H. J. Schmidt and Master Schmidt, Madame Moisson and child, Miss L. Lénhart, Madame Gabrielle and child, Mr. and Mrs. C. Wm. Smith, Misses Back, Turnbull,

MELLOR-GANE.—On July 27, 1929, at St. Mary Redcliffe Church, Bristol, **WILBERT**, elder son of Mr. and Mrs. A. MELLOR, "Wyngarth," Lockwood, Liddersfield, to **DORA**, elder daughter of Mr. and Mrs. H. E. GANE, St. Andrew's Park, Bristol.

and Wright, Mrs. E. M. Lerting, Miss
A. M. Lerting, Miss M. Lerting, Mrs.
Ultnre, Mr. and Mrs. R. B. Bach and
2 children, Mr. and Mrs. Gordon,
Messrs. L. H. Price and J. E. Jacob,
Mr. and Mrs. C. Wigg, Messrs. A. W.
Browne and A. Vornor, Mr. and Mrs.
H. M. M. M. M. M. M. M. M. M. M. M. M.
Mr. C. B. Henry, Mr. and Mrs. S. Hop-
stock and child, Messrs. F. W. Grove
and G. W. L. Richardson, Miss M.
Craver, Mrs. E. J. Broch, Mr. Ed. F.
M. M. M. M. M. M. M. M. M. M. M. M.
Messrs. A. H. Mertens, G. L. Luca,
A. E. Fenton and A. Juvet and 4
children, Mr. and Mrs. Cox Mr. R.
Johnson, Messrs. S. J. Moalem, E. W.
Hieling, Mr. J. Danenberg, D. Mc
Master, E. and J. Scher, Mr. W.
Wheeler, P. Pfankuchen and H. H.
Hood, Master Hood, Mrs. Hood, Miss
H. G. Rose, Mr. Hyatt, Master Hyatt,
Capt. J. W. Rosenberg, Messrs. W.
B. and K. E. Abdon, Mrs. Hyatt,
Mrs. Schickop.

BARRAUD.—On July 29, 1929, at St. Marie Hospital, Shanghai, JEAN, the only son of Monsieur and Madame JULIEN BARRAUD, aged 23.

HANCOCK.—On July 26, 1929, at the Country Hospital, Shanghai, MAY HANCOCK, Secretary to the Canadian Trade Commissioner, aged 36 years.

Per str. Chusan, August 2.—For Antung.—Mrs. Roxburgh and 2 children, Mr. R. V. Cameron.

Per str. Tatung, August 2.—For River Ports.—Messrs. E. Schelton and W. S. Hooper, Mrs. Buckley, Misses Kerley and Hedegen, Mr. and Mrs. Schloch, Miss Schloch, Mrs. Davis, Rev. P. Reberfroid.

Per T.S.S. Antenor, August 2.—For
Tsingtao, etc.—Mr. and Mrs. Ranald G.
Macdonald, Messrs. W. R. Davison and
E. C. Robinson, Misses Dutton and
Farrar, Mrs. S. O. Thorley, Mr. and

Messrs. W. E. Souther, Brig. Gen.
 Macnaghten, Mr. E. S. Wilkinson, Mr.
 and Mrs. Maxted Messrs. B. Firth, V.
 Arnold-Jones, W. B. Hughes and H. J.
 Brett, Com. and Mrs. Wuest, Mr. and
 Mrs. H. F. Bunje, Messrs. F. A. Wallis
 and K. M. Cumming, Mr. and Mrs. R.
 Picozzi, Miss P. Crighton, Mrs. Harri-
 son, Mrs. W. S. Galt, Mrs. Baskin,

Son, Mrs. W. S. Clay, Mrs. Bueham,
 Turnbull and C. I. Barr, Mrs. Drake,
 Mr. and Mrs. C. F. Butt, Messrs. D.
 Miss Drake, Mrs. and Miss Pemberton,
 Misses E. A. B. Watson and V.
 Richards, Messrs. Davies and Sinclair,
 Miss Mogabgab, Messrs. W. A. Pearson,
 and W. Hunter, Mrs. M. Souza, Miss
 K. Remedios, Mr. Gilbert Davies. Mrs.

Jacobeth, Miss Judah, Capt. W. H.
 Lewis, Mr. L. H. Barton, Mrs. Lums-
 den, Messrs. Baring and Drake, Mrs.
 W. Hunter, Miss Hunter, Rt. Rev.
 Bishop Graves, Mrs. and Miss Kearton,
 Messrs. W. J. Mather, Kane and G.
 Worrall, Mon. and Madame Maurice
 Larrouy, Mr. Mogabgab, Mr. and Mrs.
 J. Knight, Maj. Parkin, Mr. Hoey, Miss

D. I. Collishaw, Mr and Mrs. Pouncey,
Mr. and Mrs. Knight, Mr. R. P. R.
Loughnan, Mrs. H. L. Withers, Messrs.
Lewis and Dertus, Mr. and Mrs. R. J.
Rawlinson, Misses Tippin and Boyd,
Mr. and Mrs. W. White, Miss S. A.
Harvey, Dr. and Mrs. Parsons, Mr. J.
W. Jones, Mrs. Crowley, Misses A., E.
and D. Campbell, Messrs. Smyth and

Pope, Mrs. King, Miss L. King, Mrs. Bowers, Mr. G. R. Herridge, Mr. and Mrs. N. L. Sparke, Mr. and Mrs. Stock, Mrs. J. B. Ross, Mrs. R. L. Peach, W. S. Leonard, Mrs. Mirams, Mr. d'Auxion de Ruffe, Mrs. Whittaker, Mrs. A. C. Steward, Miss Burak, Supt. Wm. C. Woodfield, Messrs. F. O. Amy and J. F. Jones.

Printed and Published for the Proprietors
 HERALD, L.D., at the office of the Company,

MARCAL.—On Sunday, July 28, 1929, at his residence, 206 Range Road, FRANCISCO XAVIER MARCALS, aged 22.

McEUEEN.—On July 13, 1929, at Chelsfield, Kent, England, JOANNA LUDY McEUEEN, daughter of the late Captain and Mrs. J. P. McEUEEN and younger sister of Mr. K. J. McEUEEN.

PRIESTWOOD.—On July 31, 1929, at 98 Avenue du Roi Albert, Shanghai, **JOHN GEORGE PRIESTWOOD**, beloved husband of **HARRIET PRIESTWOOD**, aged 55 years.

SANDERS.—On August 1, 1929, at the General Hospital, Shanghai, from pneumonia, **JOHAN MAURICE SANDERS**, aged 43 years, native of Amsterdam.

SOMEKH.—On July 25, 1929, in London, suddenly, **REBECCA**,

beloved wife of S. S. SOMEKH,
 —————
IN MEMORIAM
 In loving memory of MARY MOLLY
 IDELLA STEDMAN who died in
 Pasadena, California on July

her mother and brothers.

IN MEMORY of my beloved husband
T. G. WALTHER who passed
 away, August 2, 1925. A kind
 thought.

of the NORTH-CHINA DAILY NEWS &
North-China Building, Shanghai, China.

Printed and Published for the Proprietors of the NORTH-CHINA DAILY NEWS & HERALD, Ltd., at the office of the Company, North-China Building, Shanghai, China.